



NOTICE

of

CORPORATE GOVERNANCE COMMITTEE MEETING

*Pursuant to the provisions of Section 84(1) of the
Local Government Act 1999*

TO BE HELD IN

**COMMITTEE ROOM
PLAYFORD CIVIC CENTRE
10 PLAYFORD BOULEVARD, ELIZABETH**

MEMBERS MAY PARTICIPATE BY ELECTRONIC MEANS

ON

TUESDAY, 6 APRIL 2021 AT 5:00PM

A handwritten signature in blue ink, appearing to read "S Green".

**SAM GREEN
CHIEF EXECUTIVE OFFICER**

Issue Date: Thursday, 1 April 2021

MEMBERSHIP

PRESIDING MEMBER – MR PETER BRASS

Mayor Glenn Docherty
Mr Martin White

Mr Mark Labaz

Cr Jane Onuzans

City of Playford
Corporate Governance Committee Meeting

AGENDA
TUESDAY, 6 APRIL 2021 AT 5:00PM

1 ATTENDANCE RECORD

- 1.1 Present
- 1.2 Apologies
- 1.3 Not Present

2 CONFIRMATION OF MINUTES

RECOMMENDATION

The Minutes of the Corporate Governance Committee Meeting held 17 March 2021 be confirmed as a true and accurate record of proceedings.

3 DECLARATIONS OF INTEREST

4 DEPUTATION / REPRESENTATIONS

Nil

5 STAFF REPORTS

Matters to be considered by the Committee Only

Matters for Information.

- 5.1 Sale and Disposal of Land and Other Assets Policy Review (Attachments)6
- 5.2 Procurement Policy Review - Consultation (Attachments).....25
- 5.3 Fraud and Corruption Control Policy Consultation (Attachment) 133
- 5.4 Fees and Charges Policy Review (Attachments)..... 142
- 5.5 Prudential Management Policy Review (Attachments) 169
- 5.6 Treasury Policy Review (Attachments)..... 183

6 INFORMAL DISCUSSION

Nil

7 INFORMAL ACTIONS

8 CONFIDENTIAL MATTERS

Nil

9 CLOSURE

STAFF REPORTS

MATTERS TO BE CONSIDERED BY THE COMMITTEE ONLY

Matters for Information.

5.1 SALE AND DISPOSAL OF LAND AND OTHER ASSETS POLICY REVIEW

Responsible Executive Manager : Mr Simon Blom

Report Author : Mr Paul Alberton

Delegated Authority : Matters for Information.

Attachments :

- 1 [↓](#). Proposed Sale and Disposal of Land and Other Assets Policy
- 2 [↓](#). Proposed Sale and Disposal of Land and Other Assets Procedure
- 3 [↓](#). Proposed Closure of Walkways Procedure

Purpose

For the Corporate Governance Committee is provided with the proposed Sale and Disposal of Land and Other Assets Policy and associated Procedures for review and consultation.

STAFF RECOMMENDATION

The Committee notes the proposal to adopt the proposed Sale and Disposal of Land and other Assets Policy and notes the marked up feedback.

Relevance to Strategic Plan

Community Theme 4 - Supporting business and local employment opportunities

Community Theme 5 - Using money wisely

To maximise the value of assets and benefit to the community by good process and decision making, demonstrated accountability and fairness to Council and community to ensure the best possible outcome is achieved.

Relevance to Public Consultation Policy

There is no requirement to consult with the community.

Background

The proposed 'Sale and Disposal of Land and Other Assets' Policy provides a framework to guide Council and Staff in the sale or disposal of all of Council's community and corporate assets including land, plant and vehicles, furniture and equipment.

Specific legislation applies to the sale and disposal of Land, including dedicated provisions within the *Local Government Act 1999*.

The current 'Sale or Disposal of land and other Assets' Policy (endorsed Ordinary Council Agenda 678 27 October 2015) was due to be reviewed in October 2019.

A review of the current Policy identified that it needed a review to address requirements that specifically relate to the sale/disposal of Land. This is of particular importance to assist staff with direction for the current repurposing of assets project currently taking place.

Current Situation

Additional feedback to the administration following the previous Committee Meeting on 17 March 2020 has now been included within the policy and procedure.

The policy has been shortened as a lot of information in the current policy has been determined to be moved to a supporting procedure document.

Change to new template, formerly titled policy statement. Several other related legislation, policies or documents have been added. Specific reference to the Sale and Disposal of Land and Other Assets Procedure which now has a strong connection to this Policy.

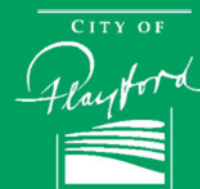
Also the proposed Closure of Walkways Procedure has a direct connection to this Policy, to ensure walkway closure requests are considered in the best interest of the community.

The review of the Sale and Disposal of Land and Other Assets Policy has been undertaken and is provided for review by and consultation with the Corporate Governance Committee.

Future Action

Post consultation, the Policy and Procedure documents will be revised to encompass agreed amendments suggested by Corporate Governance Committee and submitted to Council's Policy Review Committee.

Sale and Disposal of Land and Other Assets Policy



Policy Author	General Manager – City Assets
Date of next review	January 2025

1. Statement of Intent

The intent of this policy is to outline the responsibilities of the Council relating to the sale and disposal of land and other assets.

This policy seeks to:

- Define the principles by which land and other assets are disposed of;
- Demonstrate accountability and responsibility of Council to ratepayers;
- Be fair and equitable to all parties involved;
- Enable all processes to be monitored and recorded; and
- Ensure that the best possible outcome is achieved for the Council.
- Ensure Alignment to suite of Strategic Management Plans.

Council is committed to the following guiding principles in relation to the sale and disposal of land and other assets:

- Encouragement of open and effective competition;
- Obtaining value for money not restricted to price alone;
- Providing for ethical behaviour and fair dealing;
- Ensuring probity, accountability, transparency and reporting; and
- Ensuring compliance with relevant legislation.

2. Scope

This policy applies to Council employees, Council Members and Independent Members, and is intended to fulfil the requirements of Section 49 of the *Local Government Act 1999*.

Council, with due regard to all associated costs to achieve the transaction or such other amount as the Council resolves, may accept a lesser return for walkways as outlined in the closure of walkways procedure.

This policy does not apply to:

- Land sold by Council for the recovery of rates;
- Disposal of goods which are not owned by Council, such as abandoned goods;

- ~~• Disposal of other assets that may be covered in Council's Procurement Policy; and~~
- Disposal of other assets that may be covered in Council's Motor Vehicle and Fleet Policy.

3. Legislation and References

This policy is to be read in conjunction with the Sale and Disposal of Land and Other Assets Procedure.

- *Local Government Act 1999*
 - Section 49
 - Section 50
 - Section 57
 - ~~○ Part 3- Role of Members~~
 - Section 101- Delegation by chief executive officer
 - ~~○ Part 4- Conduct of Employees~~
 - Section 189 Crown as owner of land
 - Section 193 Classification
 - Section 194 Revocation of classification of land as community land
 - Section 195 Effect of revocation of classification
 - Section 201 Sale or disposal of local government land
 - Section 221 Alteration of road
- *Real Property Act 1886*
 - ~~○ Part 3- The Land Titles Registration Office~~
 - ~~○ Part 4- The bringing of land under the act~~
 - ~~○ Part 5- Registration of Title~~
 - ~~○ Part 6- The Title of registered proprietors~~
 - ~~○ Part 7- Certificates of Title~~
 - ~~○ Part 8- Easements~~
 - ~~○ Part 9- Crown Leases~~
 - ~~○ Part 10- Transfers~~
 - ~~○ Part 12- Mortgages, encumbrances and discharges~~
 - ~~○ Part 16- Caveats~~
 - ~~○ Part 19AB- Division and amalgamation of allotments~~
 - ~~○ Part 20- Procedure and penalties~~
 - ~~○ Part 20A- Client authorisation~~
 - ~~○ Part 21- Miscellaneous~~
- *Land and Business (Sale and Conveyancing) Act 1994*
 - ~~○ Part 2- Contracts for sale of land or business~~
 - ~~○ Part 3- Subdivided land~~
 - ~~○ Part 4- Special requirements relating to agents and sales representatives~~
 - ~~○ Part 4A- Auctions~~
 - ~~○ Part 5- Preparation of conveyancing instruments~~
 - ~~○ Part 6- Miscellaneous~~
- *Development Act 1993*
 - ~~○ Part 2- Administration~~
 - ~~○ Part 3- Planning schemes~~
 - ~~○ Part 4- Development assessment~~
 - ~~○ Part 5- Land management agreements~~
 - ~~○ Part 11- Enforcement, disputes and appeals~~
 - ~~○ Part 12- Private certification~~
 - ~~○ Part 13- Miscellaneous~~
- *Crown Land Management Act 2009*

- Part 3- Dealing with Crown Land
- Part 6- Miscellaneous
- *Roads (Opening and Closing) Act 1991*
 - ~~Part 2- General provisions~~
 - ~~Part 3- Road process~~
 - ~~Part 4- Vesting and registration of land subject to road process order~~
 - ~~Part 5- Compensation~~
 - ~~Part 8- Miscellaneous~~
- *Native Title (South Australia) Act 1994*
 - ~~Part 4- Claims and determinations of native title~~
 - ~~Part 5- Service on native title holders~~
 - ~~Part 6- Validation and effect of certain acts~~
 - ~~Part 8- Miscellaneous~~
- *Independent Commissioner Against Corruption Act 2012*
 - ~~Part 4- Procedures and powers~~
 - ~~Part 6- Miscellaneous~~
- Road Traffic Act 1961
- Closure of Walkways Procedure
- Asset Management Policy
- Code of Conduct for Council Members
- Fees & Charges Policy
- Fees & Charges Procedure
- Naming of Assets Policy
- Procurement Policy
- Public Consultation Policy
- Motor Vehicle and Fleet Policy
- Relevant Australian Accounting Board Standards (AASB)
- Unsolicited Proposal Procedure
- Delegations Register
- City of Playford Global Glossary

This Policy should not be considered as the only document that may relate to the sale and disposal of land and other assets, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

<u>CEO</u>	<u>Appropriate delegations of the sale and disposal of land and other asset are in place to ensure compliance to this policy.</u>
Senior Manager	The Senior Manager will monitor compliance with this Policy.
Managers	Communicate, implement and monitor compliance with this Policy.
Authorised and delegated officers	Authorised and delegated officers are to adhere to the principles of this policy and follow procedures and guidelines in the tasks associated with sale and disposal of land and other assets.

5. Relevance to Risk Appetite Statement

Reputation

The City of Playford has a LOW appetite for negative perceptions that compromise its credibility and reputation. Good governance will be adhered and employees should follow The Sale and Disposal of Land and Other Assets Procedure together with this Policy unless otherwise determined by Council.

Regulatory Compliance

The City of Playford has ZERO TOLERANCE for non-compliance with applicable legislation.

This policy addresses this risk by ensuring compliance with Section 49 of the *Local Government Act 1999*, which requires Council to develop and maintain policies and procedures for the sale and disposal of land and other assets, including the *Local Government Act 1999* and other relevant legislation listed within this policy.

6. Feedback


Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3954936
Version no.	3
Procedure link	Sale and Disposal of Land and Other Assets Procedure
Policy author	General Manager – City Assets
Endorsed by	Council
Resolution no.	TBA
Legal requirement	<i>Local Government Act 1999</i> – Section 49
Review schedule	4 Years
Date of current version	27 October 2015
Date of next review	January 2025

Version history

Version no.	Approval date	Approval by	Change
1	30 January 2007	Ordinary Council Resolution No. 74	New Policy



2	27 October 2015	Ordinary Council Resolution No. 2360	Policy reviewed in line with current practices. Policy name changed, previously called Sale or Disposal of Assets Policy
3	TBA	Ordinary Council	Policy reviewed and updated in line with current practices. Key updates include conversion to the new policy template and consolidating information to only include detail at a policy level. Procedural matters removed and included in a separate procedure.

Sale and Disposal of Land and Other Assets Procedure



Procedure Author	General Manager – City Assets
Date of next review	January 2025

1. Purpose

To outline the procedures for sale and disposal of land and other asset activities undertaken by the Council.

2. References and Supporting Documentation

This procedure is to be read in conjunction with the Sale and Disposal of Land and Other Assets Policy.

- Fees and Charges Schedule
- Closure of Walkways Procedure
- Surveyor-General's Guidelines - *Roads (Opening and Closing) Act 1991*
- *State Records Act 1997*

3. Application

Senior Manager	The Senior Manager will monitor compliance with this Policy.
Managers	Managers will communicate, implement and monitor compliance with this Policy. Ensure alignment to the suite of Strategic Management Plans.
Authorised and delegated officers	Authorised and delegated officers are to adhere to the principles of this policy and follow procedures and guidelines in the tasks associated with naming a Council asset.

4. Procedure

For the avoidance of doubt, any reference to land in this procedure also includes any buildings/fixed improvements located on the land.

4.1 Sale or Disposal of Land

4.1.1 The following matters are to be considered prior to disposal of land (where applicable):

- a) The usefulness of the land ~~or asset~~;

- b) The current market value of the land ~~or asset~~;
- c) The annual cost of associated maintenance;
- d) Any alternate future use of the land ~~or asset~~;
- e) Any duplication of the land ~~or asset~~, or the service provided by the land ~~or asset~~;
- f) Any impact the disposal of the land ~~or asset~~ may have on the community;
- g) Any cultural or historical significance of the land ~~or asset~~;
- h) The positive and negative impacts the disposal of the land ~~or asset~~ may have on the operations of the Council;
- i) The long term plans and strategic direction of Council;
- j) ~~The remaining useful life, particularly of an asset;~~
- k) A benefit and risk analysis of the proposed disposal;
- l) The results of any community consultation process;
- m) Any restrictions on the proposed disposal;
- n) The content of any community land management plan; and
- o) ~~Any other relevant policies of the Council.~~ **[THIS IS UNHELPFUL WITHOUT ANY FURTHER GUIDANCE AS TO WHICH POLICIES MIGHT BE RELEVANT]**

4.1.2 Council may determine to dispose of land as per the Delegations Register.

4.1.3 Where the land forms or formed a road or part of a road, Council must ensure the land is closed under the *Roads Opening and Closing Act 1991*, in accordance with the Surveyor-General's Guidelines - *Roads (Opening and Closing) Act 1991* prior to its disposal. Employees should follow the Closure of Walkways Procedure where applicable.

4.1.4 Where the land is classified as "community land", Council must comply with all requirements under Section 194 of the *Local Government Act 1999* in respect to disposal of community land.

4.1.5 Council will not dispose of land to any Council Member or employee. **[CONSIDER DELETING THE REST]** ~~who has been involved in any process related to a decision to dispose of the land and/or the establishment of a reserve price.~~

4.1.6 Council should, where appropriate, dispose of land through one of the following methods:

- a) *Expressions of Interest* – seeking expressions of interest for the land in accordance with Council's Procurement Policy.
- b) *Select Tender* – seeking tenders from a selected group of persons, companies, organisations or other interested parties in accordance with Council's Procurement Policy.
- c) *Open Tender* – openly seeking bids from tenderers in accordance with Council's Procurement Policy.
- d) *Innovative Proposals* – proposal submitted to Council that has not been requested by Council in accordance with Council's Procurement Policy.

- e) *Other means including Direct Negotiation* - as deemed appropriate and endorsed by Council.

4.2 Disposal of Land

- 4.2.1 One independent valuation should be obtained to establish the market price for the land proposed for sale or disposal (unless Council resolves otherwise).
- 4.2.2 Council will seek to dispose of land at or above current market valuation by whichever method is likely to provide Council with a maximum return, unless Council resolves to accept a lesser return (with due regard to all associated costs to achieve the transaction or such other amount as the Council resolves).
- 4.2.3 Council and all employees involved in sale and disposal activities will behave with impartiality, fairness, independence, openness and integrity in all discussions and negotiations.
- 4.2.4 All decisions and the reasons for the decisions should be documented via records management process.

The following should be considered prior to approval of any Council approved land disposal:

- a) Agreed outcomes to be identified for a property;
- b) Good governance processes should be demonstrated;
- c) Maximising commercial or financial return;
- d) Demonstrating positive community outcomes; and
- e) Attracting capital investment and employment opportunities.
- 4.2.5 A strategic land use assessment or subsequent document should be ~~completed/undertaken, with any recommendation by employees agreed to by each party responsible for this procedure.~~ This should include any consultations with the public as required by legislation as well as consulting with any stakeholders on the proposed land for disposal.
- 4.2.6 Should direct negotiation be considered to provide the best outcome for Council, an independent third party report should be completed and endorsed by Council Members prior to entering into any contract of sale.

~~4.3~~ Council may choose to direct net proceeds from the disposal of land to: **[SUPERFLOUS IN LIGHT OF SUBSECTION d)]**

- ~~a) Reduce borrowings;~~
- ~~b) Build cash reserves to fund future asset replacement or strategic land purchases;~~

~~e) Construct new community assets;~~

~~d) Other purpose as Council sees fit.~~

~~4.3.1 Employees should seek Council resolution for direction of net proceed from disposal of land and include information that considers Council's long term financial plan.~~

~~4.3.24.2.7~~ Following the disposal of a land asset, any relevant decommissioning asset register adjustments and documentation of financial transactions will be undertaken by Finance and Asset Management teams. [SUGGEST INCLUDE PERSONS/DEPARTMENTS TO BE INFORMED SUCH THAT DECOMMISSIONING AND DOCUMENTATION CAN BE UNDERTAKEN]

~~4.3.3 All assets should be disposed of through a tender process and /or independent accredited agent (e.g. auctioneer) duly engaged in accordance with Council's Procurement Policy with the asking price set at independent market value.~~

4.4.3 Sale or Disposal of Other Assets

~~4.4.14.3.1~~ An asset should only be disposed of when:

- a) The requirement for the service no longer exists;
- b) There is an alternative and better solution to providing the same service;
- c) The asset is obsolete and can no longer deliver the service to appropriate;
- d) The asset does not comply with occupational health and safety standards;

~~e) There is no use expected in the foreseeable future; [a] SHOULD SUFFICE]~~

~~f) There is no usage in the previous six months (stores stock items); [PAST USE DOES NOT DICTATE FUTURE]~~

~~g)e)~~ It is deemed the optimum time for disposal to maximise return;

~~h)f)~~ There are hazardous chemicals or materials present in the asset; and/or

~~i)g)~~ It is uneconomical to repair.

~~4.4.24.3.2~~ Prior to disposal, a check should be carried out to ensure assets do not contain:

- a) Additional items not intended for sale;
- b) Confidential documents (records, files, papers);
- c) Documents on the Council letterhead or which may be used for fraudulent purposes;
- d) Hard drives which have contained Council operated software (which could lead to a breach of licenses or contain confidential data) are to be physically

destroyed; and

- e) Hazardous materials (which should be disposed of in an authorised and safe manner).

4.5—Disposal of Other Assets

4.5.14.3.3 As much as practical, any Council identifying mark or logo should be removed or obliterated prior to disposal. Spare parts held for a particular item should be disposed of in one parcel with the asset.

4.5.24.3.4 Other assets should be disposed of via the following methods:

- a) Direct sale through public advertisement;
- b) Public auction;
- c) Select or open tender;
- d) Donation to community groups;
- e) Trade-in arrangements; or
- f) Other means – as deemed appropriate by the Chief Executive Officer or General Manager.

4.5.34.3.5 All reasonable efforts should be made to ascertain the current market value of the asset to ensure best value for money is achieved.

4.5.44.3.6 If the cost of sale outweighs the value or return of the asset(s) it may be disposed of by way of recycling or as waste.

4.5.54.3.7 Council and all employees involved in sale and disposal activities will behave with impartiality, fairness, independence, openness and integrity in all discussions and negotiations.

4.5.64.3.8 Assets should only be disposed of by employees with the appropriate delegated authority.

Auction may be public, trade or electronic (for items of significant value a reserve price will be agreed to between the relevant manager and the auctioneer prior to the auction or a fixed price as determined by the responsible General Manager or Senior Manager).

4.5.7— Auction may be public, trade or electronic (for items of significant value a reserve price will be agreed to between the relevant officer ~~[IS THERE A POTENTIAL DELEGATION ISSUE HERE?]~~ and the auctioneer prior to the auction or a fixed price as determined by the responsible General Manager or Senior Manager.

4.5.84.3.9 In the event that the cost of undertaking a tender process or appointing an independent agent is not financially practicable the assets may be:

- a) Taken to a waste disposal facility if the cost of disposal is more than the potential

~~disposal proceeds. Taken to a waste disposal facility if the asset has little or no value [SHOULD THERE BE A THRESHOLD]; or~~

- b) Sold or donated to other entities operating in the local government sector or incorporated community/sporting groups (registered/operating in the Council area).

In considering any request, employees should keep in mind the following:

- a) Community groups should receive equitable treatment to avoid possible claims of bias.
- b) A check should be made to ensure the group is non-profit and that the intended use of the asset is non-commercial (i.e. non-profit).
- c) Where the donation is seen as appropriate but there is a potential claim of bias, the matter should be referred to the ~~General Manager or~~ Chief Executive Officer.
- d) The charity/community group must remove the asset themselves and at no cost to the Council unless otherwise arranged with Council.

~~4.5.94.3.10~~ The officer responsible for the disposal of any Council asset and the relevant General Manager must ensure that no conflict of interest occurs in or as a result of the asset disposal process.

Sale of assets to employees is not to occur [CONSIDER DELETING THE REST] outside of a public process ~~and invitations to bid for the purchase of any surplus Council assets should not be limited to employees or to Council Members. Members of the public must also be allowed to compete for the purchase.~~

~~4.5.104.3.11~~ ~~Where appropriate, all reasonable efforts should be made to ascertain the current market value of the asset that is required to be purchased to ensure best value for money is achieved and there is no financial loss to the organisation. This can include consultation with auction houses, Red Book, Vendors and the like. [REPEATS 4.3.5 - PREVIOUSLY 4.5.3]~~

~~4.5.114.3.12~~ All decisions and the reasons for the decisions must be documented using records management processes.

~~4.6—Net Proceeds from the Disposal of Other Assets~~

~~4.6.1—The proceeds of the sale of assets shall be directed to General Revenue for reallocation in the normal budgetary processes or as directed by Council.~~

~~4.6.2—Following the disposal of a land asset, any relevant decommissioning asset register adjustments and documentation of financial transactions will be undertaken.~~

~~4.74.4 Exemptions from this Procedure~~

This document contains the general procedure to be followed by the Council in its disposal activities. There may be emergencies, or disposals in which a tender process will not necessarily deliver the best outcome for Council, and other market approaches may be more appropriate. In certain circumstances, the Council may, after approval from its Council Members, waive application of this procedure and pursue a method which brings the best

outcome for Council. The Council must record in writing for waiving application of the procedure.

5. Feedback

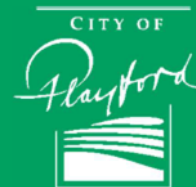
Your feedback on this [procedure elicy](#) is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3954970
Version no.	1
Policy link	Sale and Disposal of Land and Other Assets Policy
Procedure author	General Manager – City Assets
Endorsed by	Council
Resolution no.	TBA
Legal requirement	<i>Local Government Act 1999</i> – Section 49
Review schedule	4 Years
Date of current version	N/A
Date of next review	January 2025

Version history

Version no.	Approval date	Approval by	Change
1	TBA	Ordinary Council	New Procedure



Closure of Walkways Procedure

Procedure Author	General Manager – City Assets
Date of next review	January 2025

1. Purpose

This procedure supports the Sale and Disposal of Land and Other Assets Policy in outlining the process to assess the closure of walkways.

2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Sale and Disposal of Land and Other Assets Policy.

- Open Space Strategy 2018-2028
- Surveyor-General's Guidelines - *Roads (Opening and Closing) Act 1991*
- Walkway Closure Guidelines

3. Application

Manager Sport and Property	Oversee the correct implementation of procedures when employees are assessing a walkway closure request.
Land and Property Officers	Undertake the procedures in a fair and consistent manner for the best possible community outcome when assessing a walkway closure request. Employees will also reference the Walkway Closure Guidelines.

4. Procedure

The process for the closure of a walkway is subject to the *Roads (Opening and Closing) Act 1991*.

Walkway closures are generally instigated by an adjoining property owner of the walkway submitting a request for closure due to antisocial behavior occurring in the walkway or to acquire the land for private purposes.

The closure of walkways will be supported unless strong reasons can be shown for keeping the walkway open.

The following procedure outlines the steps in processing a walkway closure, which are supported by internal Walkway Closure Guidelines.

4.1 Closure/Disposal Considerations

4.1.1 A walkway will be considered for closure and disposal if:

- a) It is no longer required as a thoroughfare;
- b) It is not required for Public Utility provision, (e.g. for electricity mains, storm water, floodway) and infrastructure can be removed, or if appropriate access to services can be maintained by an easement;
- c) It attracts an unsatisfactory level of antisocial behavior;
- d) Adjoining landowners have an interest in acquiring the land.

4.2 Types of Walkway Closures

4.2.1 Closure and Transfer of Land to Adjoining Property Owners:

A walkway may be offered for closure by transfer of land to the adjoining property owners. This will be dependent on consultation with Public Utilities and internal Council stakeholders.

4.2.2 Closure by Installation of Gates:

Where a walkway is unable to be closed by transfer of land and major Public Utility infrastructure is located within the walkway, which still requires access by the Public Utility company, as a last resort Council may make the decision to install gates at each end of the walkway.

4.3 Public Utilities and Internal Consultation

4.3.1 Consultation will be held with Public Utilities (i.e. power, gas, water, NBN & Telstra) in relation to the assessment of the walkway closure.

4.3.2 When assessing a walkway closure, internal Council stakeholder consultation will be undertaken to seek feedback in regards to issues such as traffic management, walkway maintenance, impact on local community accessing bus stops, reserves, shops and schools and anti-social behaviour.

4.4 Transfer of Land to Adjoining Property Owners

4.4.1 Each adjoining property owner to a proposed walkway closure will be invited to consent or oppose the closure and make an offer to share in the costs of the closure of the walkway or decline.

4.4.2 In the case where four owners adjoin a walkway, there must be at least two owners willing to have the land amalgamated with their allotment, one owner from each end of the walkway, for Council to consider an application to close the walkway.

4.4.3 In the event that there are easements within the walkway land, only two adjoining owners are able to purchase the land (one from either end).

~~4.4.4 Council, with due regard to all associated costs to achieve the transaction or such other amount as the Council resolves, may accept a lesser return for walkway closures.~~

4.4.54.4.4 Public consultation will be undertaken as per the Council's Community Engagement Policy, which will include (but not limited to):

- Letters to property owners within the local area of the walkway;
- Erect signs at the entrances to the walkway informing of proposed closure;
- Notices on Council's website and available at customer service points;
- Advertise intention to close walkway in local newspapers and Government Gazette.

4.4.64.4.5 If no objections received during consultation period, then a Road Process Order will be approved for lodgment and the closure process will proceed in accordance with the *Roads (Opening and Closing) Act 1991* and associated Survey-General's Guidelines.

4.4.74.4.6 If an objection is received during the consultation period and cannot be resolved, a report must be submitted to an Ordinary Council Meeting seeking a Council resolution on the walkway closure. If Council endorses the closure, a Road Process Order will be approved, alternatively if the decision is not in favour of closing the walkway, all adjoining property owners will be notified in writing.

4.4.84.4.7 The Road Process Order, once signed by Council, must be lodged with the Surveyor-General within 3 months.

4.4.94.4.8 Once the Minister has approved the Road Process Order, the Surveyor-General will instigate a notice for the order and its confirmation will be published in the Government Gazette.

4.4.104.4.9 Property owners who are acquiring the closed walkway land will be notified in writing that the process has been completed and that new Certificate of Titles have been created.

5. Feedback

Your feedback on the procedure is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3954861
Version no.	1
Policy link	Asset Management Policy
Procedure author	General Manager – City Assets
Endorsed by	Council
Resolution no.	
Legal requirement	N/A
Review schedule	4 Years - as per Sale and Disposal of Land and Other Assets Policy
Date of current version	February 2021

Date of next review January 2024

Version history

Version no.	Approval date	Approval by	Change
1	TBA	Ordinary Council	New Procedure

5.2 PROCUREMENT POLICY REVIEW - CONSULTATION

Responsible Executive Manager : Mr Barry Porter

Report Author : Mr Mike Brunings

Delegated Authority : Matters for Information.

Attachments :

- 1 [↓](#). Current Procurement Policy
- 2 [↓](#). Current Procurement Policy Guidelines
- 3 [↓](#). Current Industry Participation Policy
- 4 [↓](#). Current Industry Participation Policy Guidelines
- 5 [↓](#). Current Credit Card Policy
- 6 [↓](#). Current Credit Card Guidelines
- 7 [↓](#). Current Unsolicited Proposal Guidelines
- 8 [↓](#). Procurement Policy
- 9 [↓](#). Procurement Procedure
- 10 [↓](#). Industry Participation Procedure
- 11 [↓](#). Expense Card Procedure
- 12 [↓](#). Unsolicited Proposal Procedure
- 13 [↓](#). Procurement Policy Risk Assessment
- 14 [↓](#). Credit Card Policy (Revocation) Risk Assessment
- 15 [↓](#). Industry Participation Policy (Revocation) Risk Assessment

Purpose

The Corporate Governance Committee is provided with the revised Procurement Policy and associated Procedures for review and consultation.

STAFF RECOMMENDATION

The Committee notes the proposal to adopt the revised Procurement Policy and associated Procurement, Expense Card, Industry Participation and Unsolicited Proposal Procedures and provides the following feedback:

1. _____
2. _____
3. _____

The Committee supports the proposal to revoke the Credit Card and Industry Participation Policies, noting the inclusion as Procedures associated with the Procurement Policy.

Relevance to Strategic Plan

The regular review of Council policies will positively impact service delivery to our community through greater accountability and transparency of decision making, reporting and records management.

Relevance to Public Consultation Policy

Review of the Procurement Policy does not necessitate a need for public consultation.

Background

The scheduled review of the Procurement Policy was required to be completed by May 2021. The Procurement Policy review now forms part of the ICAC Recommendations Program and is a scheduled action within this program.

The Procurement Policy is a regulated requirement under Section 49 (a1) of the *Local Government Act 1999 (SA)*.

Part 4—Contracts and tenders policies

49—Contracts and tenders policies

(a1) A council must develop and maintain procurement policies, practices and procedures directed towards;

(a) obtaining value in the expenditure of public money;

(b) providing for ethical and fair treatment of participants; and

(c) ensuring probity, accountability and transparency in procurement operations.

An initial review of Policies has highlighted an opportunity to amalgamate like Policies into a single Procurement Policy and as such the following policies are recommended and endorsed by the Chief Executive Officer to be revoked and amalgamated as Procedures linked to the Procurement Policy:

- Credit Card Policy; and
- Industry Participation Policy.

The current Unsolicited Proposal Guidelines encompass the process in which Council will manage and evaluate unsolicited proposals received from the private and not for profit sectors. It is recommended and endorsed by the Chief Executive Officer that these guidelines be transformed into a Procedure linked to the Procurement Policy in an effort to remove the discretionary nature of the current document.

Current Situation


The review of the Procurement Policy and associated Procedures has been undertaken and are provided for review by and consultation with the Corporate Governance Committee.

Future Action

Post consultation, the Policy and Procedure documents will be revised to encompass agreed amendments suggested by the Corporate Governance Committee and submitted to Councils Policy Review Committee.



Procurement Policy

	Policy No.:	N/A	Version No.:	3
	ECM Document Set No.:	2800343	Initial Date of Adoption:	23/06/2009
	Authorised by:	Full Council (Resolution 2932)	Date of Current Version:	25/07/2017
	Document Maintained by:	Procurement	Next Review Date:	May 2021

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Before using a printed copy, verify that it is the current version.*

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1 Policy Statement

This document sets out the Council's policy for the acquisition of goods and services. This policy applies to the procurement of all goods, equipment and related services, construction contracts and service contracts (including maintenance).

All Council purchases must be carried out in compliance with the Local Government Act 1999 (the "Act"). This policy complies with the requirements of the Act. In terms of specific requirements, Section 49 (a1) of the Act requires Council to develop and maintain procurement policies, practices and procedures directed towards:

- Obtaining value in the expenditure of public money;
- Providing for ethical and fair treatment of participants; and
- Ensuring probity, accountability and transparency in the procurement process.

Consistent with Section 49 (a1), this policy should be used as a guide, to enable Council officers to implement procedures, and day-to-day practices in acquiring goods and services.

Council's purchasing activities aim to achieve advantageous procurement outcomes by:

- Enhancing value for money by encouraging competition through non-discrimination and competitive processes;
- Promoting the use of resources in an efficient, effective and ethical manner;
- Making decisions with probity, accountability and transparency;
- Providing reasonable opportunity for competitive local businesses to supply to Council
- Appropriately managing risk; and
- Promoting compliance with all relevant legislation.

2 Scope

This policy applies to all procurement processes and activities undertaken by Council, including ordering, purchasing, tendering and contracting. It does not apply to real property acquisitions, funding agreements and other non-procurement expenditure, such as sponsorships, grants, donations and employment contracts.

This policy covers the whole procurement process from identification of the need to contract management. It applies to anyone who undertakes or is involved in procurement activities on behalf of the Council, including Elected Members, staff, subcontractors and volunteers.

3 Definitions

Council means the City of Playford (CoP)

Purchase Order means the official document used by Council to record the commitment to purchase goods and services and contains Council's standard terms and conditions. The Purchase Order is produced by Council's finance system.

Tender means a supplier's bid in response to Council's invitation to tender.

Request For Tender means a formal tender request process conducted by Council.

Request For Quote means a less formal quote request process conducted by Council that is generally aimed at a select group or number of market participants.

Direct Negotiation means a formal Tender or Quote request generally conducted with one select market participant only and that market participant selected by Council.

Request For Expression of Interest is a process conducted by Council that is less formal in nature and may only provide Council with an ability to gauge market participants appetite or capability to provide a particular good or service and or preliminary. This process is generally conducted in an open forum and in advance of one of the above formal processes.

Request For Proposal means a proposal request process conducted by Council that is informal in nature and may only provide Council with an ability to gauge a select market participants appetite or capability to provide a particular good or service and a preliminary cost offering. This process is generally conducted in advance of one of the above formal processes.

Open Market means a market approach, advertised in an open forum and available to all market participants.

Select means a market approach that is requested of a select group or number of market participants decided by Council.

4 Legislation and References

Legislation and Council policies relevant to this policy includes but is not limited to the following:

- Local Government Act 1999 (SA)
- Competition and Consumer Act 2010 (Cth)
- Independent Commissioner Against Corruption Act 2012 (SA)
- Security of Payment Act 2009 (SA)
- Work Health and Safety Act 2012 (SA)
- Environment Protection Act 1993 (SA)
- State Procurement Act 2004
- State Procurement Board Guidelines
- City of Playford Work Health and Safety Policies

5 Policy

5.1 Principles

Council's procurement activities will be conducted in accordance with these fundamental principles:

5.1.1 Open and Fair Competition

Council recognises the commercial and economic benefits of open and effective competition and must give fair and equitable consideration to all prospective suppliers.

5.1.2 Probity, Accountability and Transparency

All procurement shall be undertaken in a manner that ensures:

- Clearly established roles and responsibilities
- Appropriate record keeping and documentation
- Integrity through transparency of process and decisions made
- Adherence of Council's Code of Conduct
- Identification and management of actual or potential conflicts of interest, and
- Confidentiality of all commercial information.

5.1.3 Ethical Behaviour and Fair Dealing

Council employees involved in purchasing are to:

- Behave with impartiality, fairness, openness, integrity, and professionalism
- Provide all suppliers with equal opportunity to supply to Council
- Establish clear and easy to understand evaluation criteria and methodology
- Provide consistent processes and feedback on decisions, and
- Ensure effective communication and provision of information to all suppliers.

5.1.4 Value for Money

Council seeks to achieve value for money and acquire quality goods and services. The concept of value for money is not restricted to price alone, the assessment must include consideration, where applicable, of:

- Ensuring that the goods and/or services meet the needs of the community
- Procurement through purchasing groups, cooperatives and other councils
- The performance history of each prospective supplier
- Compliance with the Statement of Requirement, fitness for purpose, quality, services, support and warranty
- Financial considerations including all relevant direct and indirect benefits and costs both tangible and intangible
- Delivery and/or timeliness
- The flexibility to adapt to possible change over the lifecycle of the property or service, and
- Risk exposure

5.1.5 Risk Management

Council will ensure that appropriate practices and procedures of internal control and risk management are in place for its procurement activities including risk identification, assessment and implementation of controls. Key strategic procurement risk categories to be considered are:

- Financial
- Operational and business continuity
- Work Health and Safety

- Legal, and
- Image and reputation
- Environmental Compliance

5.1.6 Industry Participation

Council is committed to maximising the positive impact of its activities to benefit the community and its economy, giving preference to Local and or Northern Region benefit when all other financial and commercial considerations are equal. The following areas may be considered in evaluating offers:

- Creation of local employment and training opportunities
- Economic growth within the local area
- Benefit to Council of any associated local commercial transaction, and
- The short and long term impact of the procurement on local business.

Considerations for these elements are further defined in Councils Industry Participation Policy and Guidelines.

5.1.7 Environmental Sustainability

Council promotes environmental sustainability through its procurement activities and will consider the purchase of environmentally friendly goods and services that satisfy value for money criteria.

5.2 Application

5.2.1 Method of Procurement (Solicited)

Council will select an approach to market best suited to the particular requirement and based on applying the procurement principles referred to above. These may include:

- Request for Quote
- Request for Tender (Select or Open Market)
- Request for Expression of Interest (EOI)
- Request For Proposal
- Direct Negotiation

Should Council procure using a different method than those listed, then Council will record the reasons for selecting that method.

Council is not obliged to accept the lowest offer. Council may reject all offers and may invite further offers.

5.2.2 Thresholds (Individual Engagement)

Subject to a risk assessment, Council will have regard to the following:

- **Purchases under \$1,000**
Purchases less than \$1,000 do not require a Purchase Order.
- **Purchases between \$1,000 and \$20,000**
Purchases between \$1,000 and \$20,000 require a minimum of one quote.
- **Purchases between \$20,000 and \$100,000**
Purchases between \$20,000 and \$100,000 require a minimum of three written quotations or another method of procurement.

Records of verbal offers received are to be maintained electronically or in hard copy and must include company, contact, date received, price and any other relevant detail.

- **Purchases greater than \$100,000**

For purchases exceeding \$100,000, Council will call for tenders.

5.2.3 Thresholds (Ongoing Engagement)

For recurrent service delivery or supply requirements, where multiple engagements of an uncontracted supplier or multiple uncontracted suppliers of the same service delivery or supply type exceed an in aggregate value of \$100,000 within a twelve month period, Council will institute call for tenders in that service delivery or supply type with a view to executing an ongoing contract for supply.

The Contract type may be:

- Sole Supply (Single Provider); or
- Panel (Multiple Providers)

5.2.4 Evaluation

If Council undertakes a tender process, it will issue a request for tender document. This may be done on either an open or select basis. In either case the process will be fair and transparent.

Tenders will be evaluated by a panel against the criteria stated in the tender.

Council may engage consultants or contractors to sit on the tender evaluation team to provide specialist expertise where Council does not have that expertise available internally.

All members of the tender evaluation team are required to disclose any conflict of interest immediately and any conflict will be assessed to ensure probity is maintained.

5.2.5 Contract Management

Council will ensure that appropriate practices and procedures of internal control relating to contract management are performed. Thus ensuring contractual and legislative compliance is maintained, deliverables are achieved and contract value is maximised.

5.2.6 Exemptions

This policy contains general guidelines for the Council to follow in respect of its procurement activities. There may be circumstances in which a tender process will not necessarily deliver the best outcome for the Council, or where other market approaches may be more appropriate.

In these circumstances, the Council, the Chief Executive Officer, Deputy Chief Executive Officer or an officer of the Council who is a General Manager, may waive application of this policy or the methods of procurement and pursue a method which will bring the best outcome for the Council.

Situations where it may be appropriate for the application of this policy to be waived include:

- potential for significant public risk, such as emergency situations threatening life and property
- the supply market is known to be limited
- the pressures of time are such that a tender process is not feasible
- the Council is able to obtain value for money from an existing supplier of goods, works or services whose appointment was subject to a competitive process
- Council purchases goods at an auction
- the contract is made with:
 - the State, a government entity, a local government owned corporation, another local government,
 - Local Government Association Procurement (LGAP) or Procurement Australian entity of another Australian Government or a local government of another State or Territory

Any departure from this policy must be appropriately documented and approved.

5.2.7 Innovative Proposals

Council may consider innovative proposals.

An innovative proposal includes a proposal submitted to Council that has not been requested by Council through its regular procurement process, is from the private and non-government sector and is new and innovative and could assist Council to achieve its strategic objectives (**Innovative Proposals**).

The nature of an Innovative Proposal can cover a wide range of areas and may include:

- Delivery of goods and services to or on behalf of Council; or
- Provision of infrastructure for the community; or
- The purchase, lease or development of Council owned or managed land.

The consideration of an Innovative Proposal received by Council must be considered with reference to the Council's Innovative Proposals Guidelines.

5.2.8 Delegations

Only Council officers with appropriate authority and financial delegation can approve acquisitions. By signing a requisition/purchase order, all officers confirm that they have taken full notice, and will comply with all requirements, of this policy and the appropriate Council guidelines and procedures.

5.2.9 Confidentiality

Council will take all reasonable steps to preserve the confidentiality of any information it obtains from a tenderer or supplier, subject to the relevant provisions of the Freedom of Information Act 1991 (SA), Local Government Act 1999 (SA) and Council's Records Management Policy.

5.2.10 Engagement Mechanism

All engagements of a supplier, unless specifically excluded in this Policy or associated Guideline document, must be preceded with a minimum of a formal Council Purchase Order. The Purchase Order must be issued and accepted by the supplier prior to any performance of works and or supply of goods to Council.

5.2.11 Delegation and or Policy Thresholds

The act of Purchase Order value splitting or the raising of Purchase Orders to a lesser value and amending to a higher value at a later date, for reason of circumventing the above policy thresholds or system delegation limitations will be seen as a direct breach of Councils Procurement Policy and or Code of Conduct.

6 Responsibilities

The Procurement Team is responsible for communicating, implementing and monitoring compliance to the policy.

7 Relevance to Council Plan

Strategy 5. Building our capabilities

Outcome 5.1 Highly performing organisation

Outcome 5.2 Delivering value for money services

8 Supporting Documentation


- City of Playford - Procurement Guidelines and associated forms
- City of Playford - Industry Participation Policy and associated Guidelines (In Development)
- City of Playford - Unsolicited Proposal Guidelines and associated forms (In Development)
- City of Playford – Contract Management Frame Work (In development)

9 Approval and Change History

Version	Approval Date	Approval by	Change
2	24 May 2016	Full Council (Resolution 2575)	Policy completely reworked.
3	25 July 2017	Full Council (Resolution 2932)	Administrative Changes



GUIDELINES FOR THE PROCUREMENT PROCESS

	Policy No.:		Version No.:	2
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	Authorised by:	Executive	Date of Current Version:	24/05/2016
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1. Introductory Statement

These guidelines are to be read in conjunction with the Procurement Policy. They have been prepared to provide the reader with procedural guidance on procurement in accordance with the City of Playford's Procurement Policy.

Whilst the review period of this Guideline has been set to coincide with the Procurement Policy, periodic updates may be performed within this period, for such circumstances as system or procedural changes within the organisation. With this in mind, staff should ensure that they only reference the electronic registered version of this document to ensure most recent procedures are being undertaken.

2. Supporting Documents

City of Playford – Procurement Policy
 City of Playford – Industry Participation Policy and Associated Guidelines (In Development)
 City of Playford – Unsolicited Proposal Guidelines (In Development)
 City of Playford – Work, Health and Safety Policy
 City of Playford – Enterprise Agreement

3. Understanding Governance or Legislative Requirements:

During the purchasing process, you need to understand that there are multiple legislation documents that need to be considered. If you need clarification, the contracts team are available to help you determine the most pertinent aspects of the following Acts.

- Local Government Act 1999 (SA)
- Competition and Consumer Act 2010 (Cth)
- Independent Commissioner Against Corruption Act 2012 (SA)
- Security of Payment Act 2009 (SA)
- Work Health and Safety Act 2012 (SA)
- Environment Protection Act 1993 (SA)
- State Procurement Act 2004
- State Procurement Board Guidelines

4. Understanding our Procurement Principles:

During the purchasing process, you will be asked to use Playford's Procurement Principles to assess your purchase. The following table summarises and details application of the City of Playford's Procurement Principles. If you need clarification, the Procurement team are available to help you.

Principle	Definition	In practice this means...
Open and Fair Competition	Ensuring that the purchasing process is impartial, open and encourages competitive offers	<ul style="list-style-type: none"> Using transparent, open, purchasing processes so that potential incumbents and the public can have confidence in the outcomes. Adequately testing the market, whether by open tender or by seeking quotations, whichever process is applicable. Avoiding biased specifications. Treating all potential suppliers consistently, fairly and equitably. Providing feedback to unsuccessful suppliers for their future learning.
Probity, Accountability and Transparency	Ensuring that our processes have verifiable integrity.	<ul style="list-style-type: none"> Identifying and dealing with conflicts of interest. Maintaining confidentiality. Ensuring that Council's code of conduct is strictly observed. Ensuring that all purchasing is undertaken in accordance with Council's policies and procedures.
Ethical Behaviour and Fair Dealing	Valuing highest ethical and professional standards.	<ul style="list-style-type: none"> Ensuring that decisions are not influenced by self-interest or personal gain. Respecting the rights of tenderers/contractors. Affording all suppliers with equal opportunity to supply to Council. Establishing clear and easy to understand evaluation criteria and methodology. Maintaining effective communication and provision of information to ALL suppliers throughout a process. Providing consistent process and feedback on decisions made in relation to a suppliers submission.
Value for Money	Achieving the desired outcome at the best possible price.	<ul style="list-style-type: none"> Weighing up the benefits of the purchase against the cost of the purchase. Value for money factors need to be specifically included in evaluation criteria and may include some or all of the following: <ul style="list-style-type: none"> Meets the needs of our community. Fit for purpose (immediate and future). Life cycle cost (including disposal). Continuous improvement opportunities. Timely and efficient service delivery. Quality Assurance; Risk exposure Supplier Capacity (eg managerial and technical abilities). The possible benefits or purchasing via purchasing groups, cooperatives or together with other Councils. The possible benefits of buying local. <ul style="list-style-type: none"> shorter delivery times local backup and servicing the availability of spare parts

Risk Management	Ensuring that all purchasing is undertaken with due consideration to the likely exposure to Legal, WH&S and Financial risk.	<ul style="list-style-type: none"> • Adherence to Council's WHS policies and SOP's. • Ensuring that our purchase and contract agreements contain WHS provisions. • Assessment of any political implications. • Conducting of a risk assessment – Outlined further in section:3 of this document.
Social, and Economic Sustainability	Ensuring that all purchasing is undertaken with consideration to <ul style="list-style-type: none"> • Its value to our community. • Its effect on our economy. 	<ul style="list-style-type: none"> • Developing contracts that maximise opportunities and or benefits to both our community and Council; <ul style="list-style-type: none"> • The contribution to the achievement of other Council Plan objectives for Community Wellbeing, Economic Prosperity, Environmental Care and Organisational Excellence; • The potential for creating strategic partnerships and cooperative product development; • Where possible and within the law, supporting our local economy. • Encouraging local business to participate. • Giving preference to local businesses ONLY where all other commercial considerations are equal. (preference must not be given to local businesses just because they are local – this is a contravention of Trade Practices Act 1974 & Competition Policy Reform SA Act 1996).
Environmental Sustainability	Ensuring that all purchasing is undertaken with consideration to its impact on the natural environment.	<ul style="list-style-type: none"> • Supporting environmentally responsible products. • Minimising the impact of our activities on our environment. • Recognising environmental innovation and or advancements in technology relating to energy efficiencies and resource sustainability.

5. Understanding the Risk Involved with your Purchase

Undertaking a risk assessment is not about avoiding risk, rather it is aimed at holistic consideration, understanding and management of risks within the procurement context. This section is aimed at assisting you through this process.

Does your purchase involve

- using a contractor/consultant; and/or
- its value is in excess of \$50,000?

If **YES**, you will need to complete a Risk Assessment checklist – this is a quick tool to assist you to determine the risk level of your purchase. The Procurement team assist in calculating the outcome.

If **NO**, proceed to step 2

Understanding the risk involved with a purchase helps Council to determine the appropriate contract to reduce any possible liability that Council may incur from your purchase.

Council currently have 2 groups of contracts. The first is the short form terms and

conditions. This type of contract is best suited to lower value lower risk and are the default terms attached to a purchase order when generated in Council's finance system.

The second is a series of contract documents that can be applied to specific situations and provide a much greater level of protection to Council for higher risk purchases.

The contract officers will determine and prepare the appropriate document for your purchase.

Step 1 Completing a Risk Assessment Checklist

An automated version of this checklist is available on the Procurement click page.

Project Name:

Person Completing Assessment:

Date Completed

Project Risks		Risk Indicator Scores			Select the relevant Score ↓
		Low = 1	Medium = 2	High = 3	
1	Does council have an WHS responsibility?	Standard	To the Contractor	To the Public & Contractor	
2	Is this activity likely to have an impact on the community?	None	Minimal	Significant	
3	What is the estimated value of your purchase?	<\$50k	\$50k - \$200k	>\$200k	
4	Are we transferring the risk of this purchase using insurance/warranties?	Risk transferred	Risk shared	Council bares total risk	
5	Is your project likely to attract media attention?	None	Minimal/Regional	State/Fed	
6	Does your project have a political/cultural importance?	None	Minimal/Regional	State/Fed	
7	Is there a critical timeline for your project?	Open	Firm	Immovable	
8	Are your contract requirements/ specifications very clear	Certain or N/A	Average	Uncertain	
9	Is the project complex in nature?	Routine	Medium	Complex	
10	Is the project environmentally/ecologically sensitive?	No	Low/Medium	High	
11	Has this type of procurement been undertaken previously?	Often	Rarely	Never	
12	Is your project being undertaken in a regulatory environment?	No	Part	Entire	
13	Does your project overlap with other initiatives?	No	Minimal/Some	Yes/All	
14	What is the term of this purchase/ engagement?	<3 months	3 - 6 Months	> 6 months	
Risk Indicator		Score – 14-20 = Low Score – 21-30 = Medium Score - >30 = High			
Action:					

Please attach this checklist to your Request for Service form or if you aren't required to do one, attach it to your purchase order documentation.

Step 2 What Value is your purchase?

How you undertake your purchase is guided by the perceived risk (refer step 1) and what value your purchase is going to be.

The difference between the following two tables is the type of contract that is required for your purchase in the \$10,001 - \$100,000 category.

6. Low to Medium Risk Purchasing

If you answered No to Step 1 or your risk indicator was low or medium, this means that your purchase is assessed as LOW TO MEDIUM RISK. Please use the following table to help you determine what the appropriate method of procurement is for your purchase.

What is the value of your purchase?	\$1,000 - \$20,000	\$20,001 – \$100,000	\$100,001 - \$200,000	> \$200,000
What is the minimum requirement for your purchase?	1 Quote	3 Written Quotes or Selective Tender	Selective (min 3) or Public Tender	Public Tender
How do you make your purchase?	Complete an online requisition ➤ Procurement can assist with supplier sourcing if required.	Complete an online requisition ➤ Procurement can assist with obtaining quotes & tender if required.	Complete Request for Service ➤ Procurement will manage the process	Complete Request for Service ➤ Procurement will manage the process
What type of contract is required for your purchase?	Purchase order and short form terms and conditions	Purchase order and short form terms and conditions	Contract	Contract
How do you get an exemption from this process?		Complete an Exemption Request (Refer appendix) ➤ General Manager to approve the request.		

If your purchase is a schedule of rates, please estimate the yearly purchase value (the budget amount you have allocated for this project/activity for the next 12 months). This is the figure that you use in determining what the value of your purchase is.

7. High Risk Purchasing

If your purchase is assessed as **HIGH RISK**, please use the following table to help you determine what the appropriate method of procurement is for your purchase.

What is the value of your purchase?	\$1,000 - \$20,000	\$20,001 – \$100,000	\$100,001 - \$200,000	> \$200,000
What is the minimum requirement for your purchase?	1 Quote	3 Written Quotes or Selective Tender	Selective (min 3) or Public Tender	Public Tender
How do you make your purchase?	Complete an online requisition ➤ <i>Procurement can assist with supplier sourcing</i>	Complete an online requisition ➤ <i>Procurement can assist with obtaining quotes & tender if required.</i>	Complete Request for Service ➤ <i>Procurement will manage the process</i>	Complete Request for Service ➤ <i>Procurement will manage the process</i>
What type of contract is required for your purchase?	Purchase order and short form terms and conditions or minor works contract	Contract	Contract	Contract
How do you get an exemption from this process?		Complete an Exemption Request (Refer appendix) ➤ General Manager to approve the request.		

If your purchase is a schedule of rates, please estimate the yearly purchase value (the budget amount you have allocated for this project/activity for the next 12 months). This is the figure that you use in determining what the value of your purchase is.

8. Process Standing Exemptions

Type	Definition	The Aim	How we apply this
Emergency Purchases:	<p>An emergency is defined as:</p> <ul style="list-style-type: none"> • A declared state of emergency under the Emergency Management Act 2004. • An incident that requires activation of Council's Emergency Management Plan and or Business Continuity Plan. • An incident declared by the CEO or Executive where the safety or security of any person or property associated with Council is threatened. • An external incident to which the CEO or Executive has authorised the provision of urgent support. 	The aim of this exception is to ensure Council has streamlined and flexible procurement processes to ensure that necessary responses are not delayed and that Council's operations are maintained or restored as soon as practicable.	<p>Council will purchase goods and/or services during an emergency incident utilising preferred suppliers and taking into account Council's procurement principles where possible.</p> <p>Council's procurement principles are explained later in this document.</p>

Higher value off the shelf goods:	<p>Higher value generic style goods can be purchased from a number of suppliers with minimal risk to Council. Criteria for this exception are:</p> <ul style="list-style-type: none"> ➤ Our purchase order terms & conditions are sufficient to manage the risk (Procurement staff can help you with this if in doubt). ➤ The suppliers warranty of the goods is non-negotiable and is industry standard across all suppliers. ➤ The goods do not involve any installation by the supplier or 3rd party. ➤ The goods meet our purchasing principle requirements. 	The aim of this exception is to streamline the procurement process and alleviate the impost on the supplier and Council to go to unnecessary tender.	<p>This exception applies to purchases in this category under \$200,000.</p> <p>The exception allows the purchase to be assessed using a minimum of 3 written quotes.</p> <p>Where the estimated value of the purchase is greater than \$200,000 the purchase will need to be offered for tender.</p> <p>It is acknowledged that there may be some instances where you are unable to get 3 quotes. This may be because of limited number of suppliers or supplier is unable to supply within the restricted time frame. If this is the case, please ensure that your documentation shows the steps you have taken to get the 3 quotes and/or reason for being unable to get the 3 quotes.</p>
Utilities	Electricity, Water & Gas supply Services	The aim of this exception is to streamline the procurement process and alleviate the impost Council to go to unnecessary tender.	It must be noted That where services are of a contestable nature, Procurement will either conduct a tender process for the contestable element or utilise group arrangements such as those created by LGAP or the like. These agreements generally carry a 2-3 year term.
Utilities – Network infrastructure	Electricity - SA Power Networks Water – SA Water GAS – APA Group		It must be noted That where services required contain a contestable component, due consideration should be given to splitting out those works to

			achieve higher value for money. This should not however be to the detriment of the project time nor with an adverse increase in risk.
Insurances	Mutual Liability, Work Cover	The aim of this exception is to streamline the procurement process and alleviate the impost Council to go to unnecessary tender.	
Miscellaneous Government	Motor Vehicle Registration – DPTI Etc.		

9. Exemption Guidelines

If an exemption outside of the types listed in section 6 is required, you will need to complete an exemption form and submit to a General Manager for approval prior to any engagement. The General Manager will approve or decline your exemption based on below specified criteria. No one criterion will warrant an exemption to the policy – the purchase must be assessed considering all criteria.

Please note:

- Information on exemptions granted will be reportable.
- An exemption form submitted in retrospect of receipt of any goods and or services will be deemed not to be an exemption but a breach of Councils Policy.

Indicator	Criteria	Possibility of Exemption		
		Low	Med	High
Suppliers	How many suppliers are there in the market?	Broad Market	Limited Market	Monopoly/ Duopoly
Critical timeline	If this purchase exemption isn't granted and the project timeline is extended, will this impact the timelines of any other initiatives?	Minimal impact	Possible	Definitely
Grant Funding	Will this purchase impact on obtaining grant funding or meeting grant funding requirements?	No impact	Minimal Impact	Loss of funding
Market Test	Have we recently tested this supplier via an open tender?	> 9 months	< 9 months - > 3 months	< 3 months
Community Impact	Do the neighbouring community to the project have specific interest in the project?	High	Med	Low
Engagement Term	How long is the anticipated engagement of this supplier/contractor?	> 3 months	> 1 month - < 3 months	< 1 month
Benefit to council	Are there any other benefits to council to grant this exemption?	Minimal	Some benefit	Value for money

10. City of Playford Enterprise Agreement

In undertaking a purchase you will need to consider the City of Playford's Enterprise agreement, in particular:

Clause 23 - Service Delivery

Council is committed during the life of this Agreement to maintaining efficient and effective operations that deliver quality and cost effective outcomes to the ratepayers of the city.

- 23.1 Council will continue to use a predominance of internal service providers where they continue to provide a high level of efficiency and cost effectiveness.
- 23.2 Council will invest in appropriate skill development, systems and equipment to ensure its workforce is competitive.
- 23.3 Council will determine the types and levels of services it will provide by undertaking research into the needs of the community and having regard to its capacity to pay.
- 23.4 The use of contract labour is recognised as a legitimate way of managing the ongoing challenges of a growth Council in the delivery of services to an expanding community whilst also maintaining a committed and efficient workforce.
- 23.5 Council may determine from time to time to utilise external service providers where any of the following criteria is met;
 - Specialised and/or highly technical tasks for which the Council does not have the necessary equipment, resources or expertise.Seasonal or short term work when employment of additional permanent employees cannot be justified (recognising that the relevant Awards and this Agreement allow for the use of fixed term, casual and Agency employees)
 - Large or labour intensive services where the Council is unable to apply the required equipment or resources without adversely affecting existing services or operations.
 - For the delivery of new services where it would be more efficient and cost effective to do so, whilst maintaining legislated safety standards and comparable levels of service.
- 23.6 When Council proposes to contract out other operations or services not identified in 5 above, with the consultation and input from union representatives. This will be undertaken in a timely manner to ensure contracts will only be awarded when agreement has been reached by the parties involved. A sub committee will be formed to discuss and make a recommendation on the contracting out of services to the WRCC. This will be comprised of the:
 - Relevant Group Manager of the work area,
 - Workplace Union Representative of the relevant union,
 - Procurement officer.If a recommendation cannot be agreed then the matter will be referred to WRCC who shall deal with it in a timely manner. WRCC's role is to reach agreement on the proposal and ensure contracts are only undertaken following such agreement, based on the principles of trust, fairness and equity.
- 23.7 Council commits to no net job losses directly related to contracting out of operations or services delivered by council.

11. Below \$100,000 purchases explained

NO QUOTE & NO PURCHASE ORDER – SUB \$1,000 TOTAL VALUE.

Sub \$1000 purchases do not require evidence of a single quotation process being conducted; however it is always good practice to seek a quote prior to the engagement of any supplier to ensure that there is no confusion at time of invoice processing.

1 QUOTE - \$1,000 TO \$20,000

If the purchasing tables in Step 2 indicate that only 1 quote is required, there is still a requirement for you to ensure that the purchase you are undertaking complies with Council's Procurement Principles. Records of verbal offers received are to be maintained electronically or in hard copy and must include company, contact, date received, price and any other relevant detail.

Please note: Where possible purchases are to be undertaken from within our existing supplier database – the Procurement team can assist.

3 QUOTES - \$20,000 TO \$100,000

If you are required to obtain 3 quotes before you make your purchase, the Procurement team are happy to obtain the quotes on your behalf; however, we also recognise that in many instances you will have more knowledge of the suppliers relative to your specific field of expertise.

Where possible purchases are to be undertaken from within our existing supplier database – the purchasing team can assist.

To assist in the process of obtaining quotes, a request for quote template is available. There are benefits to using a request for quote form:

- Provides the opportunity to inform the supplier of our terms and conditions prior to placing the order. Failure to do this may result in Council being bound by the suppliers terms and conditions and therefore the high possibility of differing payment terms, reduced warranties and indemnities, insurance and delivery responsibilities being unclear
- A single form faxed or emailed to each supplier, ensuring that all suppliers are quoting on the same piece of work.
- The form acts as a memory jogger to assist you in developing your purchasing requirements

PURCHASES CLOSE TO THE \$100,000 THRESHOLD

If it is anticipated that a purchase will be close to or it is likely that the final value of a purchase will exceed the \$100,000 threshold, the purchase is to be treated as if it exceeds the threshold.

12. Above \$100,000 purchases explained

If the purchase table indicates you have the option for either Selective or Public tender, this section will assist you to make that decision. The general rule is that we should go to public tender unless there is justification to undertake a selective tender.

SELECTIVE TENDER

Selective tenders are generally used when there is a limited market of suppliers that would compete for this work or when we have already approached the market via an expression of interest. The purpose of this type of market approach is to reduce the cost associated with public tendering.

The relevant Manager has the authority to approve the selective tender process in lieu of a public tender. In deciding if a purchase is suitable for selective tendering the Manager should consider:

- The number of suppliers in the market.
- Whether Council has recently tested the market?
- Whether Council has recently conducted an Expression of Interest?
- Council's procurement principles.

The Procurement team are available to provide further assistance in the decision process.

PUBLIC TENDER

A public tender is an offer to the public to bid for a specified parcel of work. This is the generally accepted approach to market for parcels of work in excess of \$100,000. Public tenders are advertised via Tenders SA – www.tenders.sa.gov.au.

KEY DIFFERENCES BETWEEN SELECTIVE AND PUBLIC TENDER

The key differences between Selective and Public tender are:

- Generally there are more tenders to evaluate through the public tender process.
- A selective tender is more administratively time intensive as it requires individual approaches to each of the proposed tenderers as opposed the single release point of public tenders (Public tenders are managed through Tenders SA – www.tenders.sa.gov.au)
- A public tender requires advertising, and therefore may have an increased cost.

SPLITTING IDENTICAL NEED

It is a Policy breach to divide a particular purchase into separate parts or use a particular method for calculating estimated total value for the purpose of circumventing an approach to the open market.

THE TENDER PROCESS

The process involved and responsibilities associated with a tender (both selective and public) are:

Step	Process	Responsibility
1	Define the need/scope development	Requester
2	Complete a request for service	Requester
3	Research the market	Procurement in consultation with requester
4	Acquisition strategy	Procurement in consultation with requester
5	Document preparation	Procurement
6	Seeking and receiving offers	Procurement
7	Evaluating offers	Evaluation Committee including a Procurement Team Member

8	Negotiation	Requester and Procurement
9	Purchase recommendation	Procurement
10	Form and execute contracts	Procurement
11	Contract management	Project supervisor and or Procurement

The Procurement team will guide you through the process and provide specialised advice to ensure your contract achieves the best possible outcomes.

13. Submission Evaluation Methodology

It is important to note that the correct evaluation of submissions is paramount to a successful process outcome.

The procurement team maintains a suite of documents for each stage of a tender process, the most important of which is the evaluation matrix. The matrix is broken into several facets of evaluation criteria. Some criteria are weighted (Scored Mathematically) and some are not, just requiring an acknowledgement that the information was provided and or terms agreed to.

All weighted criteria of an evaluation matrix should be set and agreed by the evaluation committee prior to market release of the request. This ensures that the "Goal Posts" are set from the very beginning and cannot be altered post receipt of submissions. This ensures a fair assessment of all submissions in relation to the predetermined scope, rather than being clouded by value adds or innovations from a single submitter.

Value adds and innovation are certainly important factors of a process, however should not skew an evaluation away from the primary objective.

The Value Adds section of the matrix is a weighted criterion, so carries the ability to alter an evaluation outcome. That said this section should not exceed 5% of the overall scoring methodology. With such a weighting, it does not carry sufficient to skew and assessment but given an equal technical and commercial scoring between two or more competing companies does give an ability to push one slightly higher from a mathematical assessment stand point.

14. Industry Participation

Industry participation in Council contracting is critical to the State, Playford and Northern Region, generating economic activity, work, investment and innovation to grow the local economy.

Councils Industry Participation Policy (IPP) is designed to promote and measure the economic benefit to the State, Playford and Northern region from labour, capital and supply inputs as part of the tender evaluation process or through direct negotiation.

Evaluation of Industry Participation elements are clearly defined in Councils Industry Participation Guidelines, which should be referenced prior to finalising your evaluation criteria.

15. Unsolicited Proposals

An unsolicited proposal is a new and innovative proposal from the private and non-government sector that could assist the Council to achieve its strategic objectives or satisfy a community need.

An unsolicited proposal is a proposal submitted to the Council that has not been requested by the Council through its regular procurement processes.

An unsolicited proposal may include a proposal for:

- the purchase, lease or development of Council owned or managed land;
- the delivery of goods or services to or on behalf of the Council; or
- the provision of infrastructure for the community.

Processes for identifying, facilitating and evaluating Unsolicited Proposals are clearly defined in Councils Unsolicited Proposals Guidelines.

16. Forms & Tools

Following are the necessary forms you will require to undertake your purchase. These forms can be downloaded from the Procurement Click Page.

Please do not hesitate to seek the assistance of the procurement team, should you need.

REQUEST FOR PROCUREMENT ASSISTANCE


REQUEST FOR EXEMPTION

REQUEST FOR QUOTE (INCLUDING QUOTATION RESPONSE)

EVALUATION MATRIX TEMPLATE



INDUSTRY PARTICIPTION POLICY

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1 Policy Statement

This Industry Participation Policy is designed to promote and measure the economic benefit to the State, Playford and Northern region from labour, capital and supply inputs as part of the tender evaluation process or through direct negotiation.

Industry participation in Council contracting is critical to the State, Playford and Northern Region, generating economic activity, work, investment and innovation to grow the local economy.

Council is committed to ensuring that competitive South Australian based businesses are afforded fair and reasonable opportunity to be considered for contracts being undertaken. The development of the Industry Participation Policy addresses this commitment.

The Industry Participation Policy will not apply retrospectively to contracts commenced prior to Council adoption of the policy.

2 Definitions

Full, Fair and Reasonable

In the term 'full, fair and reasonable' these words have the following meanings:

- **Full:** local Small and Medium Enterprises (SMEs) have the same opportunity afforded to other global supply chain partners to participate in all aspects of a project from project design through to completion.
- **Fair:** local Small and Medium Enterprises are provided the same opportunity as global suppliers to compete for contracts on an equal and transparent basis, including being given adequate time in which to tender.
- **Reasonable:** Subject to any explicit requirement of the head contract, tenders are free from technical requirements that might rule out local industry and are structured in such a way that they do not preclude local SMEs from the opportunity to participate in projects and compete for contracts.

When technical specifications are being prepared for contracts, care should be taken to use Australian standards, or standards regularly used in Australia, to ensure that local suppliers are not "designed out" of the contract.

Council is the City of Playford

Metropolitan Adelaide is the State Government regions of Western Adelaide, Northern Adelaide, Eastern Adelaide and Southern Adelaide.

Local Region is the relevant City of Playford region.

Northern Region is defined as those regions or Council areas located North of Grand Junction Road, South Australia

Small and Medium Enterprises are defined by the Australian Bureau of Statistics as businesses employing less than 200 people, or in accordance with the ABS Estimated Value of Agricultural Operations.

Value for money Consistent with the State Procurement Board definition, value for money is achieved by formulating procurement decisions that achieve the best possible outcome in both financial and non-financial terms in a timely and efficient manner, commensurate with the nature of the purchase. Factors which may be considered in assessing value for money include:

- Fitness for purpose

- Service support and warranty
- Whole of life cost
- Quality
- Timeliness
- Efficiency and effectiveness
- Flexibility
- Intangible costs and benefits
- Price
- Contribution to Government priorities.

3 Objective

The Industry Participation Policy is aimed at delivering greater economic benefit to the region from Council procurement. These benefits include:

- improved industry capability and capacity through capital investment
- employment and workforce development
- retention of economic activity in the state
- additional value adding activities, innovation and supply chain development.

A key objective of the Industry Participation Policy is to ensure that capable South Australian Small and Medium Enterprises are afforded full, fair and reasonable opportunity to tender and participate in significant publicly funded or supported projects.

Value for money remains the prime consideration in evaluating tender bids for Council contracts. However, when assessing value for money, the broader impact of the contract to the region on a whole of life basis, including the benefits to local industry, should also be considered. The policy supports this outcome.

4 Policy Scope

The Industry Participation Policy has effect on all Council expenditure above \$20,000 for the following activities:

- Council procurement of goods and services including infrastructure and construction.
- Public Private Partnership projects.
- Federal, State or joint funded infrastructure and construction projects managed by the Council.

The policy has a tiered structure to ensure the costs of compliance are appropriate to the opportunity for local industry participation and minimise red tape requirements for business and government. The policy will be embedded into Council procurement policies and procedures.

There are no specific requirements for tenders with a value of less than \$20,000; however Council should consider local businesses wherever possible and encourage successful tenderers to consider using local Small and Medium Enterprises.

5 Thresholds

The Industry Participation Policy threshold commences from \$20,000 with emphasis on jobs and extends to subcontractor activity. Thresholds are aligned with Councils Procurement Policy and exclude GST.

For all expenditure above the threshold, Council will be required to advise all interested parties of the requirements of the Industry Participation Policy at the initial invitation stage. This stage applies to any approach to market including, but not limited to Request for Quotes, Request for Tenders, Request for Proposals or Direct

Negotiations. At that time, potential tenderers will be informed of Industry Participation Policy requirements including:

- Requirement to complete an Employment Contribution Test.
- Requirement to complete an Industry Participation Policy Plan.

5.1 Other Activities

For contracts where there is no fixed lump sum, such as standing order contracts or schedule of rates contracts the relevant Industry Participation Policy requirement will be selected based on Council's estimated total contract value and/or the potential economic contribution to the State or region from the procurement.

6 Employment Contribution Test

An Employment Contribution Test applies to all procurements \$20,000 and above, but below \$1M.

6.1 \$20,000 and under \$100,000

For procurements with a value between \$20,000 and up to \$100,000 where a minimum of three quotes are being sourced, Council is required to seek at least one quote from a Northern Region source where possible.

6.2 \$100,000 and above and below \$1M

For procurements with a value of \$100,000 and above but below \$1M, the Employment Contribution Test will apply in the same manner as is required for procurements between \$20,000 and \$100,000 however in this higher value range, the Employment Contribution Test will be given a specific minimum weighting of 10% as a component of the overall evaluation criteria.

7 Industry Participation Policy Plan

An Industry Participation Policy Plan applies to all procurements \$1 million and above.

7.1 \$1 Million and above

For procurements \$1 million and above, the tenderer will be required to submit a Council Industry Participation Policy Plan. Council Industry Participation Policy Plans will provide a clear statement of the tenderer's commitment to the policy and identify the approach a contractor will undertake to identify opportunities to optimise the benefits to the Northern Region and or State economy and to use local industry. The level of detail required will depend on the size and complexity of the contract.

An Industry Participation Policy Plan will carry a weighted evaluation criterion of a minimum 10% in the tender evaluation process for Council contracts. However a consideration will be given to increasing the minimum weighting based on merit.

7.2 Compliance after Contract Award

The commitments made by a tenderer in their Industry Participation Policy Plan will become a condition of contract should they be successful and regular reporting against the Industry Participation Policy Plan commitments will be required. Council reserves the right to negotiate or clarify commitments in any Industry Participation Policy Plan submitted prior to finalisation of a contract. Following the execution of a contract, any changes proposed by the successful

tenderer will need to be authorised by Council, where it relates to commitments made in the Industry Participation Policy Plan.

8 Measurement and Reporting

8.1 Employment Contribution Test

There are no reporting requirements against the Employment Contribution Test for contractors.

8.2 Industry Participation Policy Plans

Reporting on Council Industry Participation Policy Plan commitments will be a contractual requirement for contractors.

8.3 Council Reporting

Council will report on Industry Participation Policy outcomes annually.

9 Responsibilities

The Procurement Team is responsible for communicating, implementing and monitoring compliance to the policy.

10 Relevance to Council Plan

- Strategy 5. Building our capabilities
- Outcome 5.1 Highly performing organisation
- Outcome 5.2 Delivering value for money services

11 Related Documents – CoP Policies and Guidelines

- [City of Playford - Industry Participation Policy Guidelines](#)
- [City of Playford - Procurement Policy](#)
- City of Playford - Procurement Policy Guidelines and associated forms
- City of Playford - Unsolicited Proposal Guidelines and associated forms (In development)
- City of Playford - Contract Management Framework (In Development)

12 Related Documents – Industry Participation Policy Documents


- [CoP Employment Contribution Test](#)
- [CoP Industry Participation Plan Template](#)

13 Approval and Change History

Version	Approval Date	Approval by	Change
1	28/06/2016	Council (Resolution 2603)	New Policy



INDUSTRY PARTICIPATION POLICY GUIDELINES

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1 Statement

Industry participation in Council contracting is critical to the State, Playford and Northern Region, generating economic activity through, employment, training, investment and innovation to grow the local economy.

Council is committed to ensuring that competitive South Australian based businesses are afforded fair and reasonable opportunity to be considered for contracts being undertaken. The development of the Industry Participation Policy addresses this commitment and the following guidelines provide procedural advice on the best practice adoption of Industry Participation Policy principles.

2 Value For Money

Value for money as outlined in the City of Playford's Procurement Policy, remains the prime consideration in evaluating tender bids for Council contracts. However, when assessing value for money, the broader impact of the contract to the region on a whole of life basis, including the benefits to local industry and or residents, should also be considered. IE where all commercial and technical considerations are equal, the deciding factor will be Industry Participation Policy considerations.

3 Policy Scope

The Industry Participation Policy has effect on all Council expenditure above \$20,000 for the following activities:

- Council procurement of goods and services including, but not limited to infrastructure and construction, fleet and plant.
- Public Private Partnership projects.
- Federal, State or joint funded infrastructure and construction projects managed by the Council.
- Private sector projects receiving significant Council support, (over \$1 million cash and in-kind).

The policy has a tiered structure to ensure the costs of compliance are appropriate to the opportunity for local industry participation and minimise red tape requirements for business and government. The policy will be embedded into Council procurement policies and procedures.

There are no specific requirements for tenders with a value of less than \$20,000; however Council should consider local businesses wherever possible and encourage successful tenderers to consider using local Small and Medium Enterprises:

4 Office of The Industry Advocate

The Office of the Industry Advocate supports the Industry Participation Advocate to implement the Industry Participation Policy and other initiatives aimed to help Small and Medium Enterprises get involved in State Government procurement.

The Office of the Industry Advocate is responsible for the implementation of the South Australian Industry Participation Policy. This role includes:

- assisting tenderers to develop South Australian Industry Participation Policy Plans by providing information about local supplier capability
- providing assistance to Responsible Government Agencies where required to determine compliance with the SA Industry Participation Policy and when relevant to assist in the evaluation and scoring of Industry Participation Policy Plans
- providing industry capability information to Responsible Government Agencies, Tenderers and Contractors
- promoting awareness of the South Australian Industry Participation Policy to government agencies and private sector proponents
- reporting to Cabinet annually on South Australian Industry Participation Policy outcomes.

Whilst the Office of the Industry Advocate does not have specific jurisdiction in Local Government, the Office of the Industry Advocate can be consulted and assist with the design of Industry Participation Policies and documents and or provide high level advice relevant to high level Industry Participation philosophies.

The consultation of the Office of the Industry Advocate will ensure consistency of information sought from tenderers across multiple levels of Government and ensure best practice Industry Participation Policy protocols are maintained.

5 Technical Specifications

Technical specifications should not be an obstacle to the local supply of goods and services.

When technical specifications are being prepared for a tender or contract, care should be taken to ensure that Regional, South Australian and or Australian Small and Medium Enterprises are not placed at a disadvantage.

Design specifications should use Australian standards, or standards regularly used in Australia.

Specific products and or brands should not be specified that would result in Australian Suppliers being 'designed out' of contention.

6 Acquisition Planning

Councils Tender Evaluation Team members should consider the Employment Contribution Test and Industry Participation Policy Plan weighting at the time of drafting the Acquisition Plan. This together with all other evaluation criteria weights should be agreed and locked prior to Request For Tender release.

7 Thresholds

The Industry Participation Policy threshold commences from \$20,000 with emphasis on jobs and extends to subcontractor activity. Thresholds are aligned with Councils Procurement Policy.

For all expenditure above the threshold, Council will be required to advise all interested parties of the requirements of the Industry Participation Policy at the initial invitation stage. This stage applies to any approach to market including, but not limited to Request for Quotes, Request for Tenders, Request for Proposals or Direct Negotiations. At that time, potential tenderers will be informed of Industry Participation Policy requirements including:

- Requirement to complete an Employment Contribution Test
- Requirement to complete an Industry Participation Policy Plan

7.1 Other Activities

For contracts where there is no fixed lump sum, such as standing order contracts or schedule of rates contracts the relevant Industry Participation Policy requirement will be selected based on Council's estimated contract cost and/or the potential economic contribution to the State or region from the procurement.

8 Employment Contribution Test

An Employment Contribution Test applies to all procurements \$20,000 and above.

The Employment Contribution Test requires that Council first determine if the goods and/or services to be procured are available within the State or region. If so, all tenderers for the procurement will be required to provide the number of labour hours associated with the primary contract and any sub-contracts.

Guidelines and templates have been developed to assist tenderers understand the detail and information required to meet Employment Contribution Test requirements.

Table 1 identifies the various Employment Contribution Test requirements.

Table 1: Employment Contribution Test Requirements

Category	Requirement
Council procurement where tender value is between \$20,000 and \$100,000	Council must seek at least 3 quotes and one must be from a Northern Region source where possible. Employment Contribution Test must be completed
Council procurement where tender value is over \$100,000	Employment Contribution Test must be completed and forms a minimum 10% of overall evaluation

8.1 \$20,000 and under \$100,000

For contracts between \$20,000 and up to \$100,000 where a minimum of three quotes are being sourced, Council is required to seek at least one quote from a Northern Region source where one exists for the good and or service sought. There is no restriction on Council seeking more than three quotes if necessary.

For procurements between \$20,000 and \$100,000, where there are two or more bids that meet the needs of Council and they represent good value, the Employment Contribution Test is used to determine the winner (the one with the highest score in this test).

Where the tenderer expects to use subcontractors to deliver the contract, the labour hours directly linked to the delivery of the contract will also need to be submitted and will impact on the overall score of the Employment Contribution Test:

8.2 Above \$100,000 and below \$1M

For procurements \$100,000 and above, the Employment Contribution Test will apply in the same manner as is required for procurements between \$20,000 and \$100,000 however in this higher value range, the Employment Contribution Test will be given a specific minimum weighting of 10% as a component of the overall evaluation criteria.

Section Title	Assessment Guideline	Wt	Assessment Guide	Score
Existing Labour	Overall percentage of total labour hours/FTE in South Australia, including Northern Region and Subcontract. (Taken from Row A4 of ECT) $\% = ((1/i) \times (ii + IV))$	7	>90% >80% but ≤90% >70% but ≤80% >60% but ≤70% >50% but ≤60% ≤50%	10 8 6 4 2 0
Existing Labour	Overall percentage of total labour hours/FTE in Northern Region Only including subcontract. (Taken from Row A4 of ECT) $\% = (1/i) \times ii$	3	>60% >50% but ≤60% >40% but ≤50% >30% but ≤40% >20% but ≤30% ≤20%	10 8 6 4 2 0
Total Weighting		10		

Where the tenderer expects to use subcontractors to deliver the contract, the labour hours directly linked to the delivery of the contract will also need to be submitted and will impact on the overall score of the Employment Contribution Test.

9 Industry Participation Policy Plan

An Industry Participation Policy Plan applies to all procurements \$1 million and above.

Council can assist tenderers to prepare Industry Participation Policy Plans, however ownership of the Plan and responsibility to deliver against it remains with the tenderer. An Industry Participation Plan template will be provided by Council as part of the Request For Tender documentation. The format and criteria of the plan may be tailored by Council to accommodate specific requirements applicable to the procurement.

Tenders submitted without an Industry Participation Policy Plan (where that is a requirement of the tender) will be deemed non-compliant and will preclude the tenderer from contract award. Industry Participation Policy Plans will be weighted in the tender evaluation process.

The successful tenderer's Industry Participation Policy Plan commitments will be included within the contract and reporting on Industry Participation Policy Plan outcomes will be required by the successful tenderer.

9.1 \$1 Million and above

Council Industry Participation Policy Plans will provide a clear statement of the tenderer's commitment to the policy and identify the approach a contractor will undertake to identify opportunities to optimise the benefits to the state economy and to use local industry. The level of detail required will depend on the size and complexity of the contract.

A Council Industry Participation Policy Plan will be a weighted evaluation criterion of a minimum 10% in the tender evaluation process for Council contracts. However a consideration can be given to increasing the minimum weighting based on a merit.

Table 2: Industry Participation Plan Requirements

Contract Value	Council IPP Plan Requirement
\$1 million and over	<p>Completion of an Industry Participation Policy Plan is mandatory</p> <p>Industry Participation Policy Plan has a minimum 10% weighting</p>

The commitments made by the successful tenderer in their Industry Participation Policy Plan will be binding on any sub-contracting arrangements. Where sub-contracting occurs it is the responsibility of the successful tenderer to monitor the application of the Industry Participation Policy Plan over the entire contract term.

While the assessment criteria may vary depending on the nature of the contract, typically it will include:

- the number of labour hours or jobs directly linked to the contract
- the value of capital investment in South Australia directly linked to the contract
- the approach outlined to consider local Small to Medium Enterprise involvement in the contract through supply-chain opportunities
- past performance of the tenderer in meeting Industry Participation Policy Plan commitments if undertaken previously.

Tenders within the scope of the policy with a value of \$1M and above, will seek that tenderers prepare a Council Industry Participation Policy Plan that identifies how the tenderer will:

- promote economic contribution to the state or region, including for employment outcomes and economic growth
- provide full, fair and reasonable opportunity to identify and consider products and capabilities provided by South Australian Small and Medium Enterprises.

Successful tenderers are encouraged to work with the Council post contract award with regard to sub-contracting opportunities to obtain a list of local suppliers. There are other requirements including notifying local suppliers of those opportunities.

Reporting on local Small and Medium Enterprises participation will be required throughout the duration of the contract and at its completion. Reporting requirements will be a contractual obligation for successful tenderers.

9.2 Weighted Assessment Criteria - Guide

Plan Section	Section Title	Assessment Guideline	Wt.	Assessment Guide	Score
Part A1	Existing Labour	Overall percentage of labour hours/FTE Jobs in South Australia	3	>90% >80% but ≤90% >70% but ≤80% >60% but ≤70% >50% but ≤60% ≤50%	10 8 6 4 2 0
Part A2	Existing Labour	Overall percentage of labour hours/FTE Jobs in the Northern Region	2	>60% >50% but ≤60% >40% but ≤50% >30% but ≤40% >20% but ≤30% ≤20%	10 8 6 4 2 0
Part B	Capital Expenditure	Demonstrates significant investment in the State that has the potential to provide temporary or ongoing economic benefit to the State	1	Excellent Acceptable/good Marginal Unacceptable	10 5 3 0
Part C	Supply Inputs	Percentage of supply inputs (based on value) that are sourced from South Australia. <i>If Yes is ticked to completing contract in- house, score will be equivalent to the Part A</i>	2	>90% >80% but ≤90% >70% but ≤80% >60% but ≤70% >50% but ≤60% ≤50%	10 8 6 4 2 0
Part D	New Training and Employment Opportunities	Demonstrates a commitment to providing New Training and Employment Opportunities	2	1 or More FTE 2 or More Training 1 or more Training No Opportunities	10 5 3 0
Total Weighting			10		

Score	Scoring guidance
Excellent	Response demonstrates that all requirements have been met in full and at least some of the requirements will be exceeded.
Acceptable/Good	Response demonstrates that most major and minor requirements have been met.
Marginal	Response demonstrates that only minor requirements have been met.
Unacceptable	Response fails to demonstrate that any requirements have been met.

9.3 Compliance After Contract Award

The commitments made by a tenderer in their Industry Participation Policy Plan will become a condition of contract should they be successful and regular reporting against the Industry Participation Policy Plan commitments will be required. Council reserves the right to negotiate or clarify commitments in any Industry Participation Policy Plan submitted prior to finalisation of a contract. Following the execution of a contract, any changes proposed by the successful tenderer will need to be authorised by Council, where it relates to commitments made in the Industry Participation Policy Plan.

A contractor's procurement of works, goods and services to undertake its contractual obligations for a procuring entity, remains the responsibility of the contractor. Nothing in this policy entitles the contractor to charge additional costs over and above the price agreed in the contract, depart from the performance standards applicable to the works, goods and services required by the contract, or depart from any other requirement or obligation set out in the contract. In the same manner, nothing in the policy requires a successful tenderer to bear a 'cost penalty' to deal with local companies.

10 Measurement, Reporting and Facilitation

10.1 Employment Contribution Test

There are no reporting requirements against the Employment Contribution Test for contractors. However Council are required to report on IPP outcomes annually.

10.2 Industry Participation Policy Plans

Reporting on Council IPP Plan commitments will be a contractual requirement for successful tenderers, Public-Private Partnerships and recipients of Council assistance valued at \$1 million or greater.

Reporting requirements for IPP Plans will depend on the value of the contract as set out in table 3. Reports will be required to demonstrate how the tenderer has performed against commitments in their IPP Plan and provide details on the value and source of major items purchased for the contract.

Reports are to be provided to Council on the templates provided. Reporting entities are encouraged to work with the Council to ensure that reports are of a suitable quality.

Failure of organisations to comply, in part or in whole, with the Council IPP and the commitments in their Council IPP Plans will be a factor that will be taken into account in the award of future contracts for Council and may be considered a breach of contractual agreements.

Table 3: IPP Reporting Requirements for contractors

Contract Value	South Australian IPP Plan Requirement
Less than \$1 million	No reporting requirement
\$1 million and above	Reporting annually and or on completion of the contract. Reporting is a contractual obligation

10.3 New Training and Employment Opportunity Commitments

Where an Industry Participation Policy Plan contains new training and or employment opportunity commitments for local residents, Councils Business Development team are to be notified.

The contracted commitments will then either be facilitated or validated by the Business Development team. This will ensure all negotiated benefits to the region are maximised.

11 Responsibilities

The Procurement Team is responsible for communicating, implementing and monitoring compliance to the policy.

12 Relevance to Council Plan

- Strategy 5. Building our capabilities
- Outcome 5.1 Highly performing organisation
- Outcome 5.2 Delivering value for money services

13 Related Documents – CoP Policies and Guidelines

- [City of Playford - Procurement Policy](#)
- City of Playford - Procurement Policy Guidelines and associated forms
- City of Playford - Unsolicited Proposal Guidelines and associated forms (In development)
- City of Playford - Contract Management Framework (In Development)

14 Related Documents – Industry Participation Policy Documents

- [CoP Employment Contribution Test](#)
- [CoP Industry Participation Plan Template](#)

15 Approval and Change History

Version	Approval Date	Approval by	Change
1	July 2016	Deputy CEO	New Guideline

Credit Card Policy

This policy is for internal organisational use only



ECM Document Set No.: 3297161

Version No.: 3

Date of Current Version 1 October 2018

Responsible Team Finance

Other Key Internal Stakeholders Executive & Organisational Development

Initial Date of Adoption 22 January 2008

Last Reviewed 19 February 2015

Authorised By Senior Manager Finance

Legal Requirement

Date of Next Review October 2020

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Page 1 of 5

1. Purpose

The City of Playford provides Credit Cards to Employees as an efficient and effective method of payment of business related expenses which fall under the threshold, set by the Procurement Policy. The policy outlines the appropriate use of a Council Credit Card and the obligations of the Credit Card Holder and their Manager. The policy also sets out the parameters for the effective management and governance of the Council Credit Card facility and the consequences of non compliance.

2. Scope

This policy applies to all Employees who have approved use of a Council Credit Card. The policy also applies to the Executive and Finance in the management and governance of the Organisation's Credit Card facility.

The policy must be read in conjunction with the Procurement Policy, Travel Expenditure Policy, Hospitality Policy, Recognition of Staff Policy and relevant guidelines.

3. Legislation and References

- Local Government Act 1999
- Goods and Services Act 1999
- Performance Improvement & Misconduct Policy
- Procurement Policy
- Credit Card Guidelines
- Travel Expenditure Policy and Guidelines
- Hospitality Policy and Guidelines
- Recognition of Staff Policy

4. Definitions

Credit Card is a Credit Card supplied to the Employee by the Organisation to utilise in the delivery of council approved business

Employee is a person employed by the Organisation on an ongoing or fixed term full-time or part-time basis

Executive refers to the Organisation's Executive team, comprised of the relevant General Managers, Deputy Chief Executive Officer and Chief Executive Officer

Finance refers to the Organisation's Finance Team

Manager is an Employee's line manager, or in their absence, the Employee's manager once removed

Organisation is the body corporate known as the City of Playford which includes the Employing Authority

Organisational Development refers to the Human Resource management team

Tax Invoice refers to a valid Tax Invoice as defined by the Australian Taxation Office, issued by a supplier, on purchase of goods and services

5. Policy

Credit Card Management

All new Credit Card requests or change requests must be forwarded to Finance for approval.

Credit Cards will only be issued if it is deemed appropriate for the role, in accordance with set business rules (managed by the Finance Team), and to Employees with the relevant financial delegation.

On internal transfer of Employees, Finance will reassess the ongoing requirement for a Credit Card.

Finance will conduct a regular review of the number and allocation of Credit Cards, in collaboration with Executive. Review may result in revocation of Credit Cards based on use or purpose.

Finance will monitor Credit Card compliance and refer all breaches of the policies and guidelines to the Manager, Organisational Development and the Executive.

Credit Card Use

Employees may only use their Credit Card for Council purposes and must adhere to the Procurement Policy, Travel Expenditure Policy, Hospitality Policy and Recognition of Staff Policy, when purchasing. Credit Cards must not be used for personal purposes or for personal expenditure.

Employees must not share their Credit Card or Credit Card details with others. Employees must not use the Credit Card to split transactions between Credit Card holders to bypass procurement or Credit Card limits.

Employees must maintain the security of their Credit Card at all times, including, Credit Card details when purchasing on-line. Only secure and known websites are to be used.

All Employees will be required to sign an acknowledgment, stating that they have read and understood the policies and guidelines, prior to receiving a Credit Card. This acknowledgement is submitted with the application. All Managers who have Employees reporting to them with a Credit Card will also be required to sign an acknowledgement before the Employee receives a Credit Card.

All breaches of the Credit Card policies and guidelines will be escalated to Executive and managed in accordance with the Performance Improvement & Misconduct Policy.

All Credit Card expenditure must be substantiated by a valid Tax Invoice. Employees will be required to submit Credit Card reconciliation each month and Managers are responsible for approving the reconciliation. Managers are responsible for ensuring all expenditure is for council purposes and appropriately substantiated prior to approving the reconciliation.

Finance will be responsible for final review and approval of the Credit Card reconciliation.

The card holder will be required to reimburse any unsubstantiated or non compliant transactions.

6. Responsibilities

Employees

Employees who are provided with a Credit Card are responsible for adhering to the Policy and Guidelines.

Organisational Development

Organisational Development are responsible for managing any reported breaches of the Policy.

Executive

Executive are responsible for any actions regarding breaches escalated via Organisational Development.

Finance

Finance is responsible for the effective management and governance of the Organisation's Credit Card facility, reporting exceptions and non-compliance to Organisational Development and Executive.

Managers

Managers are responsible for acknowledging and adhering to all policies and guidelines referenced in this document, in the approval of Employee Credit Card expenditure.

7. Feedback

We invite your feedback on this policy which can be directed to Manager Finance.

8. Approval and Change History

Version	Approval Date	Approval by	Change
2	19 February2015	Practice Manager Finance	<ul style="list-style-type: none">• Changed to new template. Removed procedural elements.

Version	Approval Date	Approval by	Change
3	1 October 2018	Senior Manager Finance	<ul style="list-style-type: none"> • Change the title to "Credit Card Policy" from "Purchase Cards". • Include a purpose statement into the policy. Purpose statement will include the reason for having a council credit card and include a clear linkage to the Procurement Policy. • Replace manager discretion with set business rules for the allocation of a council credit card. It's recommended that business rules be applied on a "role/position" basis. • Introduce the concept of monitoring, reporting and escalation. • Reword the "improper use" and consequences wording. Refer to the performance improvement and misconduct policy rather than "subject the cardholder to disciplinary action". • Introduce "manager" responsibilities, including the obligation of managers to understand credit card policies and provide acknowledgement for card holders who report to them. • Reword the obligation to provide substantiation for all credit card expenditure. • Introduce a clear statement that cards are linked to the individual and are not to be shared. • Introduce more guidance into the procedure document surrounding security when purchasing "online". • Clarify the requirements surrounding the security of a council credit card during periods of leave.



Credit Card Guidelines

This guideline template can be used to support Council policy or administration policy

ECM Document Set No.: 3297177

Version No.: 1

Date of Current Version 1 October 2018

Responsible Team Finance

Other Key Internal Stakeholders Executive & Organisational Development

Initial Date of Adoption February 2015

Last Reviewed February 2015

Authorised By Senior Manager Finance

Resolution No.:

Legal Requirement

Date of Next Review October 2020

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1. Purpose

This guideline should be read in conjunction with the Credit Card Policy. The purpose of this guideline is to provide clarity on the roles and responsibilities of Credit Card Holders, Managers, Finance and the Executive, in the use and management of Council Credit Cards.

2. Scope

This guideline applies to all Employees who hold a Council Credit Card, Managers who approve Credit Card expenditure, Finance and the Executive.

3. Legislation and References

- Local Government Act 1999
- Goods and Services Act 1999
- Performance Improvement & Misconduct Policy
- Procurement Policy
- Credit Card Policy
- Travel Expenditure Policy and Guidelines
- Hospitality Policy and Guidelines
- Recognition of Staff Policy

4. Definitions

Credit Card is a credit card supplied to the Employee by the Organisation to utilise in the delivery of council approved business

Employee is a person employed by the Organisation on an ongoing or fixed term full-time or part-time basis

Executive refers to the Organisation's Executive team, comprised of the relevant General Managers and Chief Executive Officer

Finance refers to the Organisation's Finance Team

Financial Delegation refers to the allocation of a delegated authority to spend Council funds in accordance with the relevant policies and procedures

Manager is an Employee's line manager or in their absence the Employee's manager once removed

Organisation is the body corporate known as the City of Playford which includes the Employing Authority

Organisational Development refers to the Human Resource management team

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Point of Sale Transaction refers to a transaction where payment is made at the same time and place as the service/goods are provided

Tax Invoice refers to a valid tax invoice as defined by the Australian Taxation Office, issued by a supplier, on purchase of goods and services

5. Guidelines

5.1 Requesting a new credit card

A new Credit Card will only be issued to an Employee where it is deemed appropriate for their position and in accordance with approved business rules (set by Finance).

To request a new Credit Card an Employee must complete and submit to Finance, the "Request for New or Change to Corporate Credit Card" form. The form must be approved by the Employee's Manager and accompanied by a short business case in support of the application. All new Credit Card requests must be also supported by an appropriate Financial Delegation.

Upon application, both the Employee, and their Manager, must sign a declaration that they have read and understood all associated policies and guidelines. On signing this declaration it is assumed that you have read and understood all the relevant policies and guidelines. If you are unclear on aspect of the policies or guidelines you should not sign the acknowledgement until you have sought clarification from the Finance Team or your Manager.

Finance will assess the Employee's eligibility for a Credit Card and submit the necessary bank documentation.

As a general rule Credit Cards will only be available for Council Employees who have completed their probation period.

Credit Card limits and block codes will be set by Finance, in accordance with the limits mandated by the Procurement Policy, assigned Financial Delegation and approved business rules. Exceptions to the approved business rule will need to be escalated to the Executive for approval.

Finance will be responsible for maintaining the total number of Credit Cards, number of Credit Cards issued per team and approval of Credit Cards in accordance with set business rules.

Employees will only be able to take receipt of a new Credit Card when all documentation is received and Finance review is complete.

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5.2 Internal transfer of position

Employees and their Manager are responsible for notifying Finance when the Employee is transferring between positions within the Council. The Employee and their Manager are required to submit a new request form should the Employee need to keep the Credit Card in their new position. This will initiate a review from Finance aligned with the same process as outlined in 5.1.

If Finance deems that the Credit Card is no longer required the Employee must return the Credit Card to Finance for cancellation.

5.3 Use of Credit Card

5.3 (a) Cardholder (Employee)

The cardholder:

- May only use their Credit Card for Council approved business. Purchases must be made in accordance with the Council Procurement Policy and Financial Delegations.
- Must not use the Credit Card for personal use or for personal transactions.
- Must not use the Credit Card to purchase items for which the Council has credit accounts or purchase contracts.
- Must not use the Credit Card to split transactions between Credit Card holders to bypass Procurement or Credit Card limits.
- Must sign the allocated Credit Card on issue.
- Must maintain the security of the Credit Card and the Credit Card details at all times.
- When purchasing online the cardholder must only use secure websites and known suppliers.
- Must not use the Credit Card to attach to personal PayPal accounts for purchasing items online.
- Must ensure that Credit Cards and Credit Card details must not be shared with other persons (even if it is being used on behalf of the cardholder).
- Must notify the issuing bank immediately and Finance by close of business on the next working day if the Credit Card is misplaced or lost or, if you suspect fraudulent/unauthorised transactions have been processed on your Credit Card.
- Must ensure that a valid Tax Invoice is obtained for each purchase and that the purchases are adequately described. In the event that a Tax Invoice is received for an incorrect amount/detail, any variances must be rectified with the vendor.

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- Must complete the electronic monthly Credit Card reconciliation in Council's finance system, by the required due date. Finance requests for additional information must be resolved within two (2) working days.
- Must notify Finance of any changes to cardholder details e.g. name change.
- Must agree to the conditions set out in the Council's policy and guidelines for Credit Cards and the card issuing Organisation's conditions.
- Must return the Credit Card if requested by Finance after a review or misuse.
- Must ensure Credit Cards are returned to Finance for safe keeping for periods of extended leave (3 months or more). Leave such as Parental Leave, extended Long Service Leave and Leave Without Pay.

5.3 (b) Tax Invoice and Reconciliations

All Credit Card holders must ensure that they complete a monthly Credit Card reconciliation to substantiate the purchases made. This substantiation is required to meet Council's compliance obligations.

For each purchase on a Credit Card, the Credit Card holder is required to obtain a valid Tax Invoice. A valid Tax Invoice should have the following attributes:

- Addressed to the City of Playford rather than the Credit Card holder.
- Have the words "Tax Invoice" in the document
- Disclose the total amount paid for the transaction
- Disclose either, the total Goods & Services Tax (GST) paid or, the total amount either including or excluding GST
- State the name and Australian Business Number (ABN) of the supplier
- Details of the service/goods supplied
- For a point of sale transaction, the Credit Card holder should request a copy of a Tax Invoice rather than just an EFTPOS receipt. In this instance, the Credit Card holder will most likely not be able to obtain a Tax Invoice in the name of City of Playford.

Work instructions are available on Click to assist the Credit Card holder in completing the Credit Card reconciliation. When completing the reconciliation the Credit Card holder will need to ensure the following:

- Substantiate each transaction on the monthly statement with a valid Tax Invoice.
- Tax Invoice is scanned and attached to the transaction in the Credit Card reconciliation within the Council's finance system.

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- Where a Tax Invoice has been misplaced, it is the Credit Card holder's responsibility to source another copy from the supplier. If the supplier is registered for GST they are required to provide a Tax Invoice within 28 days upon request.
- If the cardholder is unable to obtain a copy of a Tax Invoice then they will be required to provide a Statutory Declaration to Finance in place of the Tax Invoice.
- Provide an appropriate account code for each transaction. The account code selected should reflect the correct nature of the transaction rather than an available budget line.
- Provide a suitable description of the services/goods purchased and the purpose of the transaction. The description should assist the approver in acquitting the reconciliation and auditors in assessing the validity of the transaction for Council purposes.
- A GST code should be selected and the GST amount in the reconciliation must match the amount on the Tax Invoice.
- Check electronic monthly statements to ensure that there are no unauthorised or incorrect transactions.
- If the statement is due while the Credit Card holder is on leave, the Credit Card holder is to collate documentation and hand over to their Manager prior to going on leave.
- If the Credit Card holder has mistakenly used a Council Credit Card for a personal transaction the Credit Card holder must notify Finance within 2 working days. The Credit Card holder must repay the amount to Council within five (5) working days. Contact Finance to find out how to repay the amount. When coding the Credit Card reconciliation the Credit Card holder must code the transaction to account code 10.9000.1001.21110 and put in the description "personal transaction".

5.4 Direct Manager Responsibilities

The Credit Card holder's direct Manager is responsible for:

- Understanding the policies and guidelines for Council Credit Cards.
- Signing an acknowledgement that they have read and understood the policies/guidelines. This will include the circumstance where you may not have a Credit Card but you have an Employee reporting to you who has been issued with a Council Credit Card.
- Coordinating the request and approval, for a new Credit Card to a nominated Credit Card holder.
- Ensuring that the Credit Card holder understands their responsibilities as a Credit Card holder.
- Ensuring Credit Card reconciliation is completed and approved each month by the due date.

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- Ensuring that Credit Card transactions are appropriately coded, described and substantiated within the reconciliation, prior to approval.
- Approving the Employee's Credit Card reconciliation.
- Managing breaches of the Credit Card policies and guidelines, in conjunction with Organisational Development.
- Ensure that Employee Credit Cards are returned to Finance for safe keeping when the Employee goes on extended leave (3 months or more). Leave such as Parental Leave, extended Long Service Leave and Leave Without Pay.
- Ensure the Employee returns the Credit Card to Finance on resignation from Council.

5.5 Finance Responsibilities

Finance is responsible for:

- Maintenance of the Credit Card Policy, Guidelines and forms.
- Reviewing and approving Credit Card reconciliations. Ensuring reconciliations are appropriately substantiated, coded and approved.
- Posting Credit Card transactions in Council's finance system.
- Liaison with the Credit Card providers including managing new Credit Card applications, Credit Card cancellations, limit changes, etc.
- Organising replacement of worn out or defective Credit Cards.
- Management of changes to Credit Card holder details.
- Management of the overall Organisation's Credit Card facility with the Bank.
- Approval and cancellation of Credit Cards.
- Monitoring non-compliance with policies and guidelines.
- Reporting on exceptions and non-compliance to the Executive on a monthly basis, including escalation of unreconciled Credit Card statements.
- Undertaking an annual review of the Council Credit Card facility, including the total number of Credit Cards, number of Credit Cards per team, and limits.

5.6 Executive Responsibilities

The Executive is responsible for:

- Approving exceptions to the Credit Card policies and guidelines.

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5.7 Withdrawal of a credit card from a cardholder

A Credit Card may be withdrawn under the following circumstances:

- The Credit Card holder has not complied with Council's Credit Card Policy, Travel Policy, Hospitality Policy, Reward and Recognition policy and Guidelines. All breaches of the Credit Card Policy and Guidelines will be managed in accordance with the Performance Improvement & Misconduct Policy.
- The Credit Card holder has resigned or transferred to another position that does not require a Credit Card.
- Council also reserves the right to withdraw a Credit Card from an individual at any time.

6. Responsibilities

Employees

Employees who are provided with a Credit Card are responsible for adhering to the policy and guidelines.

Organisational Development

Organisational Development are responsible for managing any reported breaches of the policy.

Executive

Executive are responsible for any actions regarding breaches escalated via Organisational Development.

Finance

Finance is responsible for the effective management and governance of the Organisation's Credit Card facility. Reporting exceptions and non-compliance to Organisational Development and Executive.

Managers

Managers are responsible for acknowledging and adhering to all policies and guidelines referenced in this document, in the approval of Employee Credit Card expenditure.

7. Accessibility

This guideline and the policy can be found on Click in the Corporate Policy Library.


8. Approval and Change History

Version	Approval Date	Approval by	Change
1	1 October 2018	Senior Manager Finance	New Guidelines

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GUIDELINES FOR THE RECEIPT AND ASSESSMENT OF UNSOLICITED PROPOSALS

	Policy No.:	N/A	Version No.:	Endorsed
	ECM Document Set No.:	2669435	Initial Date of Adoption:	Feb 2017
	Authorised by:	Deputy CEO	Date of Current Version:	Feb 2017
	Document Maintained by:	Corporate Services	Next Review Date:	Feb 2020

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1. INTRODUCTORY STATEMENT

Local Government is a natural leader in local economic development. Councils know their local business communities, workforce and comparative advantages better than anyone else. Councils are perfectly positioned to work with local stakeholders to drive a place-based approach to achieve economic prosperity.

As facilitators and enablers of economic growth, Councils are open to working together with the private and not-for-profit sectors to pursue innovative ideas that will create jobs, contribute to the best use of public assets and deliver a high quality of service to communities.

These guidelines create a framework for new and innovative ideas to be brought forward. These guidelines also give confidence to investors and their community that unsolicited proposals will be considered in a consistent, transparent and lawful manner to deliver the highest standards of public value.

2. COUNCIL'S ROLE AND FUNCTIONS

- 2.1 The Council is a council constituted under the LG Act.
- 2.2 The Council's principal role and functions are detailed in sections 6 and 7 of the LG Act.
- 2.3 The Council's strategic vision for its Council area is outlined in its Strategic Plan, a copy of which is available on the Council's website or at its Council's office. Copies of other Council policies and plans are also available on its website.

3. GENERAL DEFINITIONS

- 3.1 **Application Form**
means the application form attached as Annexure B to these guidelines.
- 3.2 **Assessment Panel**
Is a panel of Council employees and External advisors where invited, formed to assess the proposal put forward. All members of the panel will be subject matter experts in their relevant field and or the area of Council affected by the proposal.
- 3.3 **Council Delegate**
Is the Council Delegated Authority with sufficient authority level assigned to consider the Unsolicited Proposal with respect to Financial Threshold and Assessed Risk.
The minimum Delegation set for the assessment of Unsolicited Proposal to Council is General Manager level.
- 3.4 **Intellectual Property**
means inventions, original designs and practical applications of good ideas protected by law through copyright, patents, registered designs, circuit layout rights and trademarks and it also includes trade secrets, proprietary know-how and other confidential information protected against unlawful use and disclosure by common law and contractual obligations.
- 3.5 **LG Act**

means the *Local Government Act 1999*(SA).

3.6 Proponent

means the Individual, Company or Consortium submitting the proposal.

3.7 Unsolicited Proposals Coordinator

is the Procurement Department Team Member assigned the responsibility to facilitate the Unsolicited Proposal process through Council.

4. DEFINITION OF AN UNSOLICITED PROPOSAL AND APPLICATION OF THESE GUIDELINES

- 4.1 The Council has adopted these guidelines for the purpose of section 49 of the LG Act.
- 4.2 These guidelines apply to any unsolicited proposal that a proponent submits to the Council.
- 4.3 An unsolicited proposal is a new and innovative proposal from the private and non-government sector that could assist the Council to achieve its strategic objectives or satisfy a community need.
- 4.4 An unsolicited proposal is a proposal submitted to the Council that has not been requested by the Council through its regular procurement processes.
- 4.5 An unsolicited proposal may include a proposal for:
 - 4.5.1 the purchase, lease or development of Council owned or managed land;
 - 4.5.2 the delivery of goods or services to or on behalf of the Council; or
 - 4.5.3 the provision of infrastructure for the community.
 - 4.5.4 innovative goods and or services requiring a need to perform proof-of-concept testing or outcome-based trials.
- 4.6 The minimum financial thresholds for an unsolicited proposal under these guidelines are:
 - 4.6.1 \$20,000
- 4.7 Where an unsolicited proposal involves more than one council, the relevant councils may resolve to adopt any one of their unsolicited proposals guidelines, with any required variations, to apply to that proposal in place of their individual guidelines.

5. LEGISLATION AND REFERENCE

5.1 Legislation and Council policies relevant to these Guidelines

include but are not limited to the following:

- 5.1.1 Local Government Act 1999 (SA)
- 5.1.2 Competition and Consumer Act 2010 (Cth)
- 5.1.3 Independent Commissioner Against Corruption Act 2012 (SA)
- 5.1.4 Security of Payment Act 2009 (SA)

- 5.1.5 Work Health and Safety Act 2012 (SA)
- 5.1.6 Environment Protection Act 1993 (SA)
- 5.1.7 State Procurement Act 2004
- 5.1.8 State Procurement Board Guidelines
- 5.1.9 City of Playford Work Health and Safety Policy and associated Guidelines
- 5.1.10 City of Playford Procurement Policy and associated Guidelines
- 5.1.11 City of Playford Industry Participation Policy and associated Guidelines

6. COUNCIL'S OBJECTIVES

- 6.1 The following objectives will guide the Council's consideration of unsolicited proposals in accordance with these guidelines:
 - 6.1.1 promoting the development of innovative ideas by the private and community sector to support the Council's role and functions discussed in clause 2 of these guidelines and the Council's broad objectives as outlined in its Strategic Plan;
 - 6.1.2 ensuring that unsolicited proposals are received and assessed via an open, transparent and fair process that involves high standards of probity and public accountability;
 - 6.1.3 ensuring that the unsolicited proposals process is not used to circumvent the Council's regular procurement processes where appropriate;
 - 6.1.4 ensuring value for money for the Council is achieved from any unsolicited proposal;
 - 6.1.5 maximising the benefits from unsolicited proposals for the Council and its constituents; and
 - 6.1.6 ensuring the Intellectual Property of a party submitting an unsolicited proposal is appropriately protected.

7. PERIOD OF EXCLUSIVITY

7.1 Criteria for assessment

- 7.1.1 The Council may, in its absolute discretion, enter into a period of exclusive negotiation with a proponent who has submitted an unsolicited proposal. The Council recognises that circumstances may arise where it is beneficial to deal exclusively with one party in relation to a particular proposal that has been submitted to the Council. These circumstances include where a party's Intellectual Property should be protected.

The criteria that the Council will consider to determine if a period of exclusivity should be entered into with a particular proponent are:

7.1.1.1 No competing proposals

The Council will consider whether the subject matter of an unsolicited proposal is already the subject of existing or proposed procurement processes. If the subject matter of an unsolicited proposal is already being

considered or proposed to be considered by the Council in this way, then it is unlikely that an unsolicited proposal will pass Stage 1.

7.1.1.2 Community need/Council priority

An unsolicited proposal must:

- (a) promote the Council's role and functions discussed in clause 2 of these guidelines;
- (b) be broadly consistent with the Council's objectives outlined in its Strategic Plan; and
- (c) provide an economic, social or environmental outcome for the Council.

7.1.1.3 Uniqueness

It is imperative that an unsolicited proposal demonstrates how and why it is unique to justify the Council considering the proposal under these guidelines rather than via its usual procurement processes.

A proponent may be able to establish the uniqueness of its proposal by demonstrating that:

- (a) its proposal cannot be readily delivered by competitors at all or within the timeframes proposed by the proponent;
- (b) the proponent owns something that would limit other parties from being able to deliver the proposal (for example, Intellectual Property, strategic landholdings);
- (c) that the proponent has unique finance arrangements that enable it to deliver the proposal where other parties would not be able to; or
- (d) a combination of factors which may not stand alone as being unique but which together create a unique proposal.

7.1.1.4 Value for money

The proposal must represent value for money for the Council. 'Value' can include:

- (a) financial benefits;
- (b) economic benefits; and
- (c) community benefits.

7.1.1.5 Capacity and capability of proponent

The proponent must have the skills, experience and resources required to enable it to deliver the proposal.

7.2 The exclusivity period

7.2.1 If the Council determines to enter into a period of exclusive negotiation with a proponent, the following broad terms will apply:

- 7.2.1.1 during the exclusivity period, the Council will not enter into negotiations with another party in relation to another proposal that is substantially similar to the subject matter of the proposal;
- 7.2.1.2 the exclusivity period will be limited to the development of the specific proposal submitted by the proponent to the Council;
- 7.2.1.3 the exclusivity period will be for a set period as advised by the Council to the proponent;
- 7.2.1.4 the Council may set specific terms and conditions for the exclusivity period which it will advise the proponent of in writing;
- 7.2.1.5 the Council may end the exclusivity period at any time and withdraw from exclusive or all negotiations with the proponent; and
- 7.2.1.6 all correspondence between the Council and the proponent will be kept confidential, subject to any legislative requirements.

8. PROCESS FOR RECEIPT AND CONSIDERATION OF UNSOLICITED PROPOSALS

8.1 Facilitation of an Unsolicited Proposal through Council

All unsolicited proposals provided to Council will be registered and facilitated by Council's Procurement Department. The Procurement department will register the proposal in the Procurement Department work plan assigning a unique identifying number and will assign the facilitation of the proposal through Council to the most adequately experienced procurement team member. The team member assigned will be herein referred to as the Unsolicited Proposal Coordinator.

The key role of the Unsolicited Proposal Coordinator is to:

- 8.1.1.1 ensure in the first instance that the proposal broadly conforms to the criteria set out in clause 5.1;
- 8.1.1.2 facilitate the consideration of the proposal through Council, ensuring adherence to the process detailed below.

8.2 Pre-lodgement meeting

Before formally submitting an unsolicited proposal via the process detailed below, the proponent may request a pre-lodgement meeting with the Unsolicited Proposals Coordinator. This meeting is not mandatory but it may assist the proponent to determine if their proposal is one that may be considered under these guidelines.

Proponents are encouraged to bring a draft completed Application Form with them to this meeting.

Nothing that is discussed at the pre-lodgement meeting binds the Council or the proponent and the proponent may continue with lodgement of its proposal notwithstanding any feedback that it may receive at or following the pre-lodgement meeting.

8.3 Receipt and assessment process

The process by which the Council will receive and consider unsolicited proposals is a three stage process. The three stages are:

1. Initial Proposal
2. Detailed Proposal
3. Contract Negotiation

Each of these stages is discussed in more detail below.

8.3.1 *Stage 1: Initial Proposal*

The objective of the initial proposal stage is to enable a proponent to provide the Council with a high level overview of its proposal which enables the Council to form a preliminary view as to whether:

8.3.1.1 the proposal may be considered under these guidelines; and

8.3.1.2 if the proposal should be considered further.

A proposal should comprise a completed Application Form (which can be downloaded from the Council's website) and may also include further information that the proponent wishes to provide at this stage.

A proposal must be lodged electronically to: [email address]

A proposal will not involve negotiation at this stage. This opportunity will arise in later stages if the Council determines that the proposal should proceed.

Once a proposal has been submitted in accordance with this policy and the Unsolicited Proposals Coordinator determines that it has sufficient information about the proposal to consider it, then the Unsolicited Proposals Coordinator will convene a meeting with representatives of relevant departments of the Council depending on the subject matter of the proposal (**Assessment Panel**).

The Assessment Panel will determine whether the proposal meets the criteria for it to be considered under these guidelines. To make its decision, the Assessment Panel may consult with other Council departments and professional advisers as it deems necessary.

If the Assessment Panel determines that the proposal should proceed to the next stage of the process, a recommendation and report on this basis will be prepared for consideration of the Council's Delegate. Council's Delegated Authority thresholds shall

form the basis of the selected Delegate, however shall be set at a minimum level of General Manager.

If the Assessment Panel recommends that the proposal not be accepted or the Council's Delegate does not endorse the proposal, the proponent will be notified in writing of this outcome by the Unsolicited Proposals Coordinator. This notice may also notify the proponent that the subject matter of the proposal may form the basis of a competitive bidding process.

Where Council's Delegate does endorse the proposal the proposal will proceed to Stage 2 and the proponent will be provided with the following:

- 8.3.1.3 notification that the proposal has been approved by the Council to proceed to Stage 2;
- 8.3.1.4 a copy of the Council's resolution, where applicable.
- 8.3.1.5 the broad terms and timeframes for Stage 2 consideration of the proposal; and
- 8.3.1.6 information on any other matters relevant to the proposal and the Council's further consideration of it that the Council considers to be appropriate.

The anticipated timeframe for the completion of Stage 1, commencing from when the Unsolicited Proposals Coordinator determines that it has all of the information it needs to consider the proposal, 30 days.

Any endorsement of a proposal at Stage 1 is "in principle" endorsement only so that the proposal may proceed to Stage 2 consideration.

8.3.2 *Stage 2: Detailed Proposal*

Stage 2 involves further consideration of the feasibility of the proposal, how it will be delivered, whether it represents value for money for the Council and what outcomes it will deliver for the Council and the community.

Stage 2 will be an interactive process between the Council and the proponent within a framework established by the Council.

The Council will establish a framework for Stage 2 which may include:

- 8.3.2.1 confidentiality, conflict of interest, communication and probity protocols;
- 8.3.2.2 Stage 2 participation terms and conditions;
- 8.3.2.3 Stage 2 assessment criteria;
- 8.3.2.4 timeframes;
- 8.3.2.5 information to be provided and/or shared;

- 8.3.2.6 governance requirements; and
- 8.3.2.7 any other matters that the Council considers necessary or desirable.

The matters that the Council will consider during Stage 2 are:

- 8.3.2.8 the value for money proposition from the proposal;
- 8.3.2.9 if the proposal is legally, technically and financially feasible;
- 8.3.2.10 how the proposal would best be structured to deliver the best outcome for the Council;
- 8.3.2.11 a cost/benefit analysis of the proposal;
- 8.3.2.12 whether the proposal or any part of it would more appropriately be the subject of a competitive bidding process;
- 8.3.2.13 the appropriate consideration of risk; and
- 8.3.2.14 the proposed delivery method.

During Stage 2 the Unsolicited Proposal Coordinator will:

- 8.3.2.15 convene meetings of the Steering Committee with any other subject matter experts, professional advisers and other persons that the Unsolicited Bids Coordinator sees fit;
- 8.3.2.16 convene meetings with the proponent;
- 8.3.2.17 request further information from the proponent as required;
- 8.3.2.18 obtain reports and further information for the Council's consideration of the proposal; and
- 8.3.2.19 arrange the preparation of a detailed report on the proposal for the Council Delegate's consideration.

During Stage 2, a proponent must:

- 8.3.2.20 develop a detailed proposal, consistent with the requirements outlined by the Council at the end of Stage 1;
- 8.3.2.21 provide any additional information as required; and
- 8.3.2.22 make themselves available to participate in meetings requested by, and respond to communications from, the Unsolicited Bids Coordinator.

At the end of Stage 2, a report and recommendation will be prepared for the Council Delegate's consideration and the proponent will be advised in writing of the Delegate's recommendation with respect to one of the following:

- 8.3.2.23 that all or part of the proposal will proceed to Stage 3 on an exclusive consideration basis;
- 8.3.2.24 that all or part of proposal will not continue to be considered on an exclusive basis but that all or part of the proposal warrants a competitive bidding process; or
- 8.3.2.25 that all or part of the proposal is not suitable for further consideration and its consideration under these guidelines is now at an end.

8.3.3 **Stage 3: Contract Negotiation**

Stage 3 allows the Council and the proponent to negotiate a suitable contract or contracts for the implementation of the proposal.

At the commencement of Stage 3, the Unsolicited Proposals Coordinator will advise the proponent of the process and protocols for the development of a contract.

Once a contract has been agreed in principle between the Council Administration and the proponent, the contract will be submitted to the Council Delegate to seek their approval for the Contract to be executed. The Unsolicited Proposals Coordinator will then advise the proponent in writing of one of the following:

- 8.3.3.1 that the Council agrees to the terms and conditions of the contract and will proceed to execute it;
- 8.3.3.2 that the Council agrees to the contract, subject however to specified variations or conditions;
- 8.3.3.3 that the Council does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process, including a competitive bidding process; or
- 8.3.3.4 that the Council does not agree to enter into the contract and that its consideration of the proposal under these guidelines is now at an end.

9. **PROBITY FRAMEWORK**

- 9.1 It is a primary objective of these guidelines to ensure the probity of the processes employed by the Council to consider unsolicited proposals. As such, in addition to any specific requirement outlined in these guidelines, probity principles and protocols will be established when dealing with proponents in relation to their unsolicited proposals to ensure:

- 9.1.1 that proposals are received, assessed and negotiated, and decisions are made, through an approved and transparent framework;
- 9.1.2 that decisions are made through a robust framework and so that they will deliver the best outcomes for the Council and its community;
- 9.1.3 that confidential information is protected; and

9.1.4 that any perceived conflict of interest, bias or misconduct is eliminated.

9.2 Council may, at any Stage outlined in these guidelines, engage a probity adviser or auditor.

10. INTELLECTUAL PROPERTY RIGHTS

10.1 The Council acknowledges the unsolicited proposals may contain Intellectual Property of the proponent and/or third parties.

10.2 If the Council declines to consider, or ends its consideration of, an unsolicited proposal submitted in accordance with these guidelines, and the Council elects to engage in a competitive bidding process or other approach to the market in relation to the subject matter of the proposal, the Council will respect any Intellectual Property rights of the proponent and/or third parties.

11. SUPPLEMENTARY INFORMATION

The Council may from time to time at its discretion publish supplementary information to assist proponents with the interpretation and application of these guidelines.

12. PUBLICATION OF DETAILS OF UNSOLICITED PROPOSALS

Council may, where deemed appropriate for the level of risk and or community impact, publish the consideration of an Unsolicited Proposal. The publication will give due consideration to any Intellectual Property rights of the proponent and such the publication may be drafted in consultation with the proponent.

Annexure A – Process Flowchart

STAGE 1 – INITIAL PROPOSAL		
Proponent Actions	Council Actions	Possible Outcomes
<p>Submit the completed Application Form and any further information to: UnsolicitedProposals@playford.sa.gov.au</p> <p>Submit any further information that may be requested</p>	<p>Determine if sufficient information has been provided</p> <p>Convene a meeting of the Assessment Panel</p> <p>Determine whether the proposal meets the criteria for it to be considered under the guidelines.</p> <p>Prepare a report for Council Delegate consideration</p> <p>Advise the proponent of the stage:1 decision.</p>	<p>That the proposal is not suitable for further consideration and is now closed.</p> <p>OR</p> <p>That the proposal may form the basis for a competitive bidding process.</p> <p>OR</p> <p>That the proposal will proceed to Stage 2.</p>
STAGE 2 – DETAILED PROPOSAL		
<p>Submit a detailed proposal</p> <p>Provide additional information as requested.</p> <p>Attend meetings as requested with, and respond to communications from, the Council.</p>	<p>Establish the Stage 2 framework and advise the proponent of this</p> <p>Arrange meetings with the assessment panel and any other subject matter experts, professional advisers and other persons.</p> <p>Arrange meetings with the proponent as required.</p> <p>Request further information from the proponent as required.</p> <p>Obtain reports and further information for the Council Delegate consideration.</p> <p>Arrange the preparation of a detailed report on the proposal for the Council Delegate consideration.</p> <p>Advise the proponent of the Stage: 2 decision.</p>	<p>That all or part of the proposal will proceed to Stage 3 on an exclusive consideration basis.</p> <p>OR</p> <p>That all or part of proposal should not continue to be considered on an exclusive basis but that all or part of the proposal warrants a competitive bidding process.</p> <p>OR</p> <p>That all or part of the proposal is not suitable for further consideration and its consideration under these guidelines is now at an end.</p>
STAGE 3 – CONTRACT NEGOTIATION		
<p>Negotiate contract terms.</p>	<p>Advise the proponent of the process and protocols for the development of a contract.</p> <p>Negotiate the contract</p> <p>Submitted the agreed contract to the Council Delegate to seek approval for the contract to be executed.</p> <p>Advise the proponent of the Council's decision.</p>	<p>That the Council agrees to the terms and conditions of the contract and will proceed to execute it.</p> <p>OR</p> <p>That the Council agrees to the contract, subject however to specified variations or conditions.</p> <p>OR</p> <p>That the Council does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process.</p> <p>OR</p> <p>That the Council does not agree to enter into the contract and that its consideration of the proposal under the guidelines is now at an end.</p>

Annexure B – Application Form

Refer Separate Word Document:

Unsolicited Proposal Application Form Feb 2017.docx

Procurement Policy



Policy Author	General Manager – Strategy and Corporate
Date of next review	March 2025

1. Statement of Intent

Council is entrusted with public funds to fulfil its services to the community. Council procurement activities and the expenditure of these funds, whilst giving due regard to financial thresholds outlined in the associated Procedures, will be underpinned by the following principles:

1.1 Open and Fair Competition

Council recognises the commercial and economic benefits of open and effective competition and must give fair and equitable consideration to all prospective suppliers.

1.2 Probity, Accountability and Transparency

All procurement shall be undertaken in a manner that ensures:

- Clearly established roles and responsibilities.
- Appropriate record keeping and documentation.
- Integrity through transparency of process and documentation of decisions made.
- Adherence to relevant legislation, policy and procedure.
- Identification and management of actual or potential conflicts of interest.
- Confidentiality of all commercial information.

1.3 Ethical Behaviour and Fair Dealing

Workers involved in procurement activities are to:

- Behave with impartiality, fairness, openness, integrity, and professionalism.
- Provide all suppliers with equal opportunity to supply to Council.
- Establish clear and easy to understand requirement documentation, evaluation criteria and methodology.
- Provide consistent processes and feedback on decisions.
- Ensure effective communication and provision of information to all suppliers.

1.4 Value for Money

Council seeks to achieve value for money and acquire quality goods and services. The concept of value for money is not restricted to price alone, the assessment must include consideration, where applicable, of:

- Ensuring that the goods and/or services meet the needs of the community,
- Procurement through purchasing groups, cooperatives and other councils,
- The performance history of each prospective supplier,

- Compliance with the Councils commercial terms, fitness for purpose, quality, service, support and warranty;
- Financial considerations including all relevant direct and indirect benefits and costs both tangible and intangible;
- Delivery and/or timeliness;
- The flexibility to adapt to possible change over the lifecycle of the property or service; and
- Risk exposure.

1.5 Risk Management

Council will ensure that appropriate consideration to risk identification and management is undertaken during the procurement activity.

The assessment of higher risk may necessitate supplier engagement via a contractual document in lieu of a system generated purchase order.

Consideration for these elements are further defined in Councils Risk Management Framework and this should be referenced and tools utilised in the identification, assessment and implementation of controls where required.

1.6 Industry Participation

Council is committed to maximising the positive impact of its procurement activities to benefit the community and its economy, giving preference to local and or northern region benefit when all other financial and commercial considerations are equal. The following areas may be considered in evaluating offers:

- Creation of local employment and training opportunities;
- Economic growth within the local area;
- Benefit to Council of any associated local commercial transaction; and
- The short and long term impact of the procurement on local business.

Consideration for these elements are further defined in Councils Industry Participation Procedure.

1.7 Environment and Sustainability

Council promotes environmental sustainability through its procurement activities and will consider the purchase of environmentally sustainable goods and services that satisfy the value for money criteria.

Council will endeavour to ensure legislative compliance and environmentally responsible practices by any contractor engaged to perform services for or on behalf of Council.

2 Scope

This Policy applies to all procurement activities undertaken in the acquisition of goods and services on behalf of Council, whilst giving due regard to financial thresholds outlined in the associated Procedures (i.e. only where practicable the principals outlined in 1.6 and 1.7 above will be applied to purchases below \$20,000), whether solicited by Council or the result of an unsolicited proposal from the private or not-for-profit sectors and whether transacted via trading account or Council expense card.

This Policy does not apply to real property acquisitions, non-procurement expenditure such as the provision of funding by Council for sponsorships, grants, and donations nor employment contracts.

3 Legislation and References

This Policy is to be read in conjunction with the Procurement Procedure.

- *Local Government Act 1999 (SA)*
 - Section 37 - Provision relating to contracts and transactions,
 - Section 49 - Contracts and tenders policies,
 - Section 120 - Conflict of interest
 - Section 137 - Expenditure of funds.
- *Independent Commissioner Against Corruption Act 2012 (SA)*
 - Section 3 – Objects, and
 - Section 5 - Corruption, misconduct and maladministration.
- *Competition and Consumer Act 2010 (Cth)*
 - Section 2BA Application of Part IV to local government bodies
 - Section 45 - Contracts, arrangements or understandings that restrict dealings or affect competition
- *Environment Protection Act 1993 (SA)*
- *Freedom of Information Act 1991 (SA)*
- Worker Code of Conduct
- Financial Management Policy
- Risk Management Framework
- Records Management Policy
- Property, Plant and Equipment Policy
- Expense Card Procedure
- Industry Participation Procedure
- Unsolicited Proposal Procedure
- Delegation Register
- City of Playford Global Glossary

This Policy should not be considered as the only document that may relate to procurement, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4 Application

Mayor and Chief Executive Officer	Execution of a Contract document requiring the affixation of the Common Seal of the Council, following the resolution of Council.
Chief Executive Officer (CEO)	Approval of expenditure of Council funds and the process undertaken preceding the approval request, exceeding expenditure limits delegated. Execution of a Contract document, exceeding expenditure limits delegated. Approval of a Worker maintaining involvement in a procurement activity where an actual or potential conflict of interest has been declared.
General Manager – Strategy and Corporate	Ensure this Policy is reviewed by Council as required.
Manager – Procurement and Accounts Payable	Ensure correct application of this Policy and associated Procedures in the development of systemised and non-systemised procurement process. Conduct annual analysis of Councils expenditure, including expense card, to identify aggregation opportunities and efficiencies that can be included in its annual procurement strategy.
Procurement Team	Assist Workers in the application of this Policy and associated Procedures.
Internal Auditor	Conduct periodic audit of Councils procurement activities and assist in the development of assurance metrics to ensure process application is compliant with this Policy and associated Procedures.
Workers holding CEO sub-delegation pursuant to Section 37 of the <i>Local Government Act 1999</i> (Approvers)	Enter into contract arrangements on behalf of Council, within financial limitations delegated.
Workers holding CEO sub-delegation pursuant to Section 137 of the <i>Local Government Act 1999</i> (Approvers)	Approval of expenditure of Council funds and the process undertaken preceding the approval request, within Financial limitations delegated.

5 Relevance to Risk Appetite Statement

5.1 Environmental Impact

The City of Playford has a **LOW** appetite for discretionary environmental impacts and as such this policy commits to underpinning principles to ensure its procurement practices promote environmental sustainability.

5.2 Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts on the delivery of the Long Term Financial Plan (LTFP) and the overall financial stability and sustainability and as such this policy commits to underpinning principles to ensure its procurement practices obtain value in the expenditure of public money.

5.3 Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation and as such this policy commits to underpinning principles to ensure it is procurement practices are fair, equitable and transparent.

5.4 Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation and as such this policy meets Councils requirement under the *Local Government Act 1999* – Section 49 (a1) and the associated Procedures broadly outline the regulatory compliance requirements to be adhered to when undertaking procurement activities.

6 Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.

Version no. 4

Procedure link
Procurement Procedure
Expense Card Procedure
Industry Participation Procedure
Unsolicited Proposal Procedure

Policy author *General Manager – Strategy and Corporate*

Endorsed by *Council*

Resolution no.

Legal requirement Local Government Act 1999


Review schedule 4 Years per Council Term

Date of current version March 2021

Date of next review March 2025

Version history

Version no.	Approval date	Approval by	Change
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2	24 May, 2016	Full Council (Resolution 2575)	Policy complete reworked
3	26 July, 2017	Full Council (Resolution 2932)	Administrative Changes
4	Xx March, 2021	Full Council (Resolution xxxx)	Complete rework in line with Councils new Policy Governance Framework



Procurement Procedure

Procedure Author	General Manager – Strategy and Corporate
Date of next review	March 2025

1 Purpose

This procedure applies to the procurement of all goods and services utilising Council funds. Goods and services must only be purchased to support Council activity.

2 References and Supporting Documentation

This Procedure is to be read in conjunction with the Procurement Policy

- *Local Government Act 1999 (SA)*
 - Section 37 - Provision relating to contracts and transactions,
 - Section 38 - The common seal,
 - Section 120 - Conflict of interest, and
 - Section 137 - Expenditure of funds.
- *Work Health and Safety Act 2012 (SA)*
 - Section 5 - Meaning of person conducting a business or undertaking
 - Section 7 - Meaning of worker
 - Section 272 - No contracting out
- *Return to Work Act 2014 (SA)*
- *A New Tax System (Goods & Services Tax) Act 1999*
 - Division 1 - Preliminary
 - 1-4 - States and Territories are bound by the GST law
 - Division 2 - Overview of the GST legislation
 - Chapter 2—The basic rules
 - Part 2-2—Supplies and acquisitions
- *Building and Construction Industry Security of Payment Act 2009 (SA)*
- *Construction Industry Training Fund Act 1993 (SA)*
 - Section 20 - Imposition of levy
 - Schedule 1A - Value of building or construction work
- Risk Management Framework
- Employee Conduct Policy
- Records Management Policy
- Industry Participation Procedure
- Expense Card Procedure
- Unsolicited Proposal Procedure
- New Supplier Request Form
- Request for Exemption from the Procurement Procedure Form

- Delegations Register
- Global Glossary

3 Application

Mayor and Chief Executive Officer	Execution of a Contract document requiring the affixation of the Common Seal of the Council and only following the resolution of Council.
Chief Executive Officer	Approval of an Exemption from the Procurement Procedure. Approval of expenditure of Council funds and the process undertaken preceding the approval request, exceeding expenditure limits delegated. Approval of a Worker maintaining involvement in a procurement activity where an actual or potential conflict of interest has been declared.
General Managers	Approval of an Exemption from the Procurement Procedure.
Senior Manager - Finance	Ensure this Procedure is reviewed by Council as required.
Internal Auditor Position Title	Conduct periodic audit of Councils procurement activities and assist in the development of assurance metrics to ensure process application is compliant with this Procedure.
Manager – Procurement and Accounts Payable	Ensure correct application of this Procedure in the development of systemised and non-systemised procurement processes. Development and maintenance of internal training tools to assist in the correct application of this Procedure by Workers. Approval of non-standard supplier payment terms.
Procurement Team	Consultation and review of all procurement processes between \$20,000 and \$100,000 expenditure that do not have an established contract for supply. Facilitation of all procurement activities with a value exceeding \$100,000 which do not have an established contract for supply. Facilitation of all procurement processes necessitating the creation of a contract document. Creation of a supplier engagement document resulting from an approved Exemption. Creation and maintenance of all supplier account details in Councils financial system. Facilitation of training to Workers to ensure correct application of this Procedure.
Accounts Payable Team	Processing and payment of supplier invoice transactions. Processing and payment of Council Expense Card transactions. Processing and payment of Council Employee Reimbursement transactions. Creation and maintenance of Council Expense Card accounts.
Workers holding CEO sub-delegation pursuant to Section 137 of the <i>Local Government Act 1999</i> (Approvers)	Approval of expenditure of Council funds and the process undertaken preceding the approval request, within Financial limitations delegated.
Workers holding CEO sub-delegation pursuant to	Enter into contract arrangements on behalf of Council, within financial limitations delegated.

Section 37 of the <i>Local Government Act 1999</i> (Approvers)	
Risk & WHS Team	Assistance to Workers in the use of Councils Risk Management Framework and risk assessment tools. Assistance in the correct application of WHS Policies and Procedures in the engagement of contractor services.

4 Procedure

4.1 Method of Procurement (Solicited)

Council will select an approach to market best suited to the particular requirement and based on applying the procurement principles referenced in the Procurement Policy. These may include:

- Request for Quote,
- Request for Tender (Select or Open Market),
- Request for Expression of Interest (EOI), and
- Request for Proposal.

Should Council procure using a different method than those listed, then Council will record the reasons for selecting that method.

4.2 Industry Information Session

Council will give consideration to holding industry information sessions related to a solicited procurement activity, where the requirement value, complexity or impact to Councils community service provision deems it appropriate.

Industry information sessions provide an opportunity for organisations within the industry relative to the requirement to seek clarification and greater understanding of Councils objectives prior to investing substantial time and resource in formulating a Proposal, Tender response, Expression of Interest or Proposal.

4.3 Expenditure Thresholds (Individual Engagement)

Subject to risk assessment, Council will have regard to the following expenditure thresholds:

- Purchases less than \$1,000 do not require written quotations.
- Purchases between \$1,000 and \$20,000 require a minimum of one written quotation.
- Purchases between \$20,000 and \$100,000 require a minimum of three written quotations and require consultation with and review by Councils Procurement Team.
- Purchases exceeding \$100,000 will be facilitated by Councils Procurement Team via a method of procurement deemed appropriate for the particular acquisition, generally an open market tender is preferred. Procurement activities in this value range will require consultation with and review by Councils Finance Team.

All values stated are exclusive of GST and are in aggregate (Total contract/engagement value for the term of the contract/engagement).

4.4 Expenditure Thresholds (Ongoing Engagement)

For recurrent service delivery or supply requirements, identified during the annual spend analysis process, where multiple engagements of an uncontracted supplier or multiple uncontracted suppliers for the same service delivery or supply type exceed an in aggregate value of \$100,000 for the preceding financial year, Council will institute a market approach in that service delivery or supply type with a view to executing a term contract for supply. Resulting contract types may be:

- Sole Supply (Single Provider); or
- Panel (Multiple Providers)

4.5 Evaluation

If Council undertakes a tender process, it will issue a request for tender document. This may be done on either an open or select basis. In either case the process will be fair and transparent.

Tenders will be evaluated by a panel of key stakeholders and subject matter experts against the criteria stated in the tender request.

Council may engage consultants or contractors to sit on the tender evaluation panel to provide specialist expertise where Council does not have that expertise available internally.

Council is not obliged to accept the lowest offer. Council may reject all offers and may invite further offers.

4.6 Conflict of Interest

Workers must declare any actual or perceived conflict of interest linked to the selection of a supplier and or approval of a procurement transaction. As a guide a conflict of interest can be defined as a Worker whom has an influential or beneficial interest, including related parties, in a supplier entity. The Worker must declare in writing the nature of their interest, and take no further part in the selection of that supplier unless approved by Councils Chief Executive Officer.

Workers undertaking procurement activities must acquaint themselves with Section 120 of the *Local Government Act 1999 (SA)* for the legislated definition of a Conflict of Interest.

The identification and process for management of Conflicts of interest are described in Councils Employee Conduct Policy and all Workers undertaking procurement activities must acquaint themselves with this Policy.

4.7 Negotiation

Nothing in this procedure prevents Workers from negotiating with suppliers to obtain a more favorable position for Council than that received in an initial quotation.

When negotiating with suppliers:

- Note that Council maintains Standard Payment Terms of 30 days EOM (payment at the end of the month following the month that the invoice is dated). Shorter payment terms in certain circumstances may be used as a negotiation mechanism. Non-standard payment terms require approval from the Manager Procurement and Accounts Payable.
- Avoid requirements for payment of deposits, and the issuance of other types of pro-forma (preliminary) invoices, either by negotiating terms or using an alternative supplier.
- Any negotiations must be ethical and fair to all quoting parties.

4.8 Confidentiality

Subject to the relevant provisions of the Freedom of Information Act 1991 (SA), Local Government Act 1999 (SA) and Council's Records Management Policy, Workers must take all reasonable steps to preserve the confidentiality of any information it obtains via a procurement activity.

4.9 Documentation

All procurement activities with an expenditure value greater than \$20,000 must have the following minimum documentation registered in Councils records management system.

- All quotations/submissions received from participating companies.
- All declinations to quote received.
- The final evaluation documentation outlining the comparisons (monetary and non-monetary) made to the quotations received.
- Documentation outlining the decision to engage a supplier, including any approvals sought.
- A declaration that no conflict of interest existed with any of the evaluating Workers involved in the process undertaken.
- Countersigned contract document where this engagement mechanism is utilised.

Where processes are undertaken utilising Councils OneCouncil system (Request for Quote function), the above documentation will be automatically registered in Councils records management system via connected content.

4.10 Exemption from the Procurement Procedure

This procedure outlines the requirements of Workers in respect of conducting procurement activities. There may be circumstances in which an open market process will not necessarily deliver the best outcome for the Council, or where other market approaches may be more appropriate.

In these circumstances, the Chief Executive Officer or a Worker of Council who is a General Manager, may waive application of this Procedure or the methods of procurement listed and pursue a method which will bring the best outcome for the Council.

4.10.1 Situations where it may be appropriate for the application of this procedure to be waived include:

- potential for significant public risk, such as emergency situations threatening life and property
- the supply market is known to be limited
- the pressures of time are such that a tender process is not feasible
- the Council is able to obtain value for money from an existing supplier of goods, works or services whose appointment was subject to a competitive process
- Council purchases goods at an auction
- the contract is made with:
 - the Commonwealth, State or Local Government entity.
 - Local Government Association Procurement (LGAP), Procurement Australia or other recognised procurement group.

4.10.2 Documentation

Unless specifically excluded in this Procedure, all departures from this Procedure must be appropriately documented and approved via submission of a Request for Exemption from the Procurement Procedure form to the Procurement team. The Procurement team will review, provide commentary and facilitate the necessary approvals required. Approval via this process must precede the Procurement activity being undertaken.

4.10.3 Standing Exemptions from the Procurement Process

- Supply of goods or services where Council has an active term contract executed with a sole provider.
- Supply of insurance coverage via the Local Government Association.
- Statutory taxes and levies and non-contestable costs, to other Government authorities.
- Software licensing and support fees for established Council software systems.
- Mixed non-contestable and contestable supply of utility infrastructure (Electricity / Gas / Water & Sewer) where the contestable portion of works does not exceed \$20,000.

4.11 Supplier Engagement Mechanism

4.11.1 Minimum requirements.

All engagements of a supplier, unless specifically excluded in this Procedure, must be preceded with a minimum of a formal Council Purchase Order. The Purchase Order must be issued and accepted by the supplier prior to any performance of works and or supply of goods to Council.

4.11.2 Standing exemption to Purchase Order requirement.

- Transactions with a value of equal to or less than \$1000
- Expense Card transactions within set financial limitations
- Utility supply transactions (Electricity / Gas / Water & Sewer / telephone fixed line and mobile)
- Contracted Legal Services transactions

4.12 Approvals

By approving a requisition/purchase order/contract document, Workers confirm that they have taken full notice, and the process being approved has complied with the requirements of the Procurement Policy and this Procedure.

All financial limitations sub-delegated by the Chief Executive Officer are exclusive of GST and the value represents the full value consideration. Therefore multiyear contracts/engagements must be considered on the aggregate value of the contract/engagement (annual value x the term of the contract/engagement).

4.12.1 Financial approval.

Only Workers issued with CEO sub-delegation under section 137 of the *Local Government Act 1999* may approve expenditure of Council funds within financial limitations delegated.

This includes the holding of an Expense Card (Credit or Store Issued) in the name of Council and consideration for this element is further defined in Council's Expense Card Procedure.

4.12.2 Contract Execution.

Only Workers issued with appropriate CEO sub-delegation under section 37 of the *Local Government Act 1999* may approve and sign contractual documentation on behalf of Council within financial limitations delegated.

4.12.3 Contract/Deed Execution requiring Council Seal.

Only the Chief Executive Officer and the Mayor may execute a contractual document requiring the Common Seal of the Council to be affixed, following a Resolution by Council.

4.12.4 Variation.

Any financial variation to an existing engagement of a supplier, whether that engagement be via a Council Purchase order or Contract document, necessitates approval on the basis of the whole engagement value not the variation value in isolation.

4.13 Supplier Database

4.13.1 New Supplier.

The addition of a supplier into Councils financial system necessitates Workers to complete and submit a New Supplier Request to the Procurement team.

4.13.2 Payment Terms.

Council maintains industry standard payment terms of 30 days from the end of the month in which a supplier invoice is dated.

Council may, upon request, accept shorter payment terms of 14 days from invoice date. Approval of this non-standard payment term necessitates reasoning for request and requires approval from the Manager of Procurement and Accounts Payable.

4.13.3 Supplier Banking Details.

Council's standard method of payment is via Electronic Funds Transfer (EFT) into a supplier's nominated bank account. All supplier banking details must be provided by the supplier on company letterhead (where applicable) and signed by an authorised officer of the supplier. Where the supplier is a sole trader and not a company, a written and signed declaration listing the supplier name and bank details is required. This is applicable to both new supplier and existing supplier bank detail amendment processes.

4.13.4 Sole Trader Suppliers.

If a new supplier is a sole trader, section C of the Supplier Request Form must be completed to enable assessment of contractor status, thus to ensure that the engagement of the supplier could not be deemed an employee/employer relationship.

4.13.5 Supplier Insurance Coverage.

Council mandates the requirement of particular insurance coverage in certain circumstances.

4.13.5.1 Public Liability Insurance

Where a supplier performs works on Council sites or on non-Council sites on behalf of Council, Public Liability Insurance coverage to a minimum industry standard value of \$20,000,000 is required.

4.13.5.2 Professional Indemnity Insurance

Where a supplier provides professional advice or design documentation to Council and that advice or design is to be relied upon by Council in its decision making or service delivery, Professional Indemnity Insurance coverage to a minimum industry standard value of \$2,000,000 is required.

4.13.5.3 Certificate of Currency

A certificate of currency is required to be provided by the supplier for any of the above insurances, where applicable, and this will be registered in Council's (OneCouncil) system.

4.13.5.4 ReturnToWorkSA / Workers Compensation Insurance

Pursuant to the Return to Work Act 2014, all employers must register with WorkCover in respect of workers in employment to which the Act applies, however, large businesses operating in South Australia may apply to be self-insured for work injuries as an alternative to insuring with ReturnToWorkSA.

Where applicable, A ReturnToWorkSA certificate of registration is required to be provided by the supplier or if the supplier is self-insured, they must provide a certificate of currency and this will be registered in Council's OneCouncil system.

5 Feedback

Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333

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Policy link	Procurement Policy
Procedure author	General Manager – Strategy and Corporate
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Date of current version	March 2021
Date of next review	March 2025

Version history

Version no.	Approval date	Approval by	Change
1	March 2021	Full Council	New Procedure



Industry Participation Procedure

Procedure Author	General Manager - Strategy and Corporate
Date of next review	March 2025

1. Purpose

The purpose of this Industry Participation Procedure is to promote and measure the economic benefit to the State, Council and Northern region from labour, capital and supply inputs through Council procurement activities.

Industry participation in Council contracting is critical to grow the local economy of the State, Council and Northern Region by generating economic activity, investment, innovation and training and employment opportunities.

Council is committed to ensuring that competitive South Australian based businesses are afforded fair and reasonable opportunity to be considered for contracts being undertaken.

2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Procurement Policy.

- Procurement Procedure
- Industry Participation Guidelines
- Employment Contribution Test
- Industry Participation Plan
- Delegation Register
- Global Glossary

3. Application

Senior Manager Finance	To ensure this Procedure is reviewed by Council as required.
Internal Auditor	To conduct periodic audit of Council's procurement activities and assist in the development of assurance metrics to ensure process application is compliant with this Procedure.
Manager – Procurement and Accounts Payable	To ensure correct application of this Procedure in the development of systemised and non-systemised procurement processes. Development and maintenance of internal training tools to assist in the correct application of this Procedure by Council Officers.
Officers holding CEO sub-delegation pursuant to section 137 of the <i>Local Government Act 1999</i> (Approvers)	To ensure application of this procedure has occurred during any Council procurement activity approval process.

Pathway to Employment Coordinator	To assist or facilitate candidate placement for Industry Participation Plan (Part D) contractual commitments.
Officers	Ensure compliant application of this Procedure in any applicable procurement activity undertaken.

4. Procedure

4.1 Objective

- 4.1.1 This Industry Participation Procedure is aimed at delivering greater economic benefit to the region from Council procurement. These benefits include:
- Improved industry capability and capacity through capital investment
 - Employment and workforce development
 - Retention of economic activity in the state
 - Additional value adding activities, innovation and supply chain development.

A key objective of the Industry Participation Procedure is to ensure that capable South Australian Small and Medium Enterprises are afforded full, fair and reasonable opportunity to tender and participate in significant publicly funded or supported projects.

Value for money remains the prime consideration in evaluating tender bids for Council contracts. However, when assessing value for money, the broader impact of the contract to the region on a whole of life basis, including the benefits to local industry, should also be considered.

4.2 Scope

- 4.2.1 This Industry Participation Procedure has effect on all Council expenditure above \$20,000 for the following activities:
- Council procurement of goods and services including infrastructure and construction;
 - Public Private Partnership projects; and
 - Federal, State or joint funded infrastructure and construction projects managed by the Council.

The procedure has a tiered structure to ensure the costs of compliance are appropriate to the opportunity for local industry participation and minimise red tape requirements for business and government.

There are no specific requirements for procurement activities with a value of less than \$20,000, however Council should consider local businesses wherever possible.

4.3 Thresholds

The below thresholds are aligned with Councils Procurement Procedure and exclude GST.

- 4.3.1 This Industry Participation Procedure applies to Council procurement activities with a value of \$20,000 and greater where Council does not have an established ongoing contract for supply with one or multiple suppliers.

For all applicable procurement activities, Council will be required to advise all interested parties of the requirements of this Industry Participation Procedure within Councils market request documentation, including but not limited to Request for Quotes, Request for Tenders, Request for Proposals or Direct Negotiations, including:

- Requirement to complete an Employment Contribution Test.
- Requirement to complete an Industry Participation Plan.

- 4.3.2 An Employment Contribution Test applies to all procurement activities with a value of \$20,000 and above, but below \$1M.

- 4.3.3 \$20,000 and under \$100,000

For procurement activities with a value between \$20,000 and up to \$100,000 where a minimum of three quotes are being sourced, Council is required to seek at least one quote from a Northern Region source where possible.

- 4.3.4 \$100,000 and above and below \$1M

For procurement activities with a value of \$100,000 and above, but below \$1M, the Employment Contribution Test will apply in the same manner as is required for procurements between \$20,000 and \$100,000 however in this higher value range, the Employment Contribution Test will be given a specific minimum weighting of 10% as a component of the overall evaluation criteria.

- 4.3.5 An Industry Participation Plan applies to all procurement activities with a value of \$1 million and above, however can be applied to lesser value procurement activities if deemed appropriate by Council Officers.

- 4.3.6 For procurements with a value of \$1 million and above, the tenderer will be required to submit a Council Industry Participation Plan. Council Industry Participation Plans will provide a clear statement of the tenderer's commitment to the Procedure and identify the approach a contractor will undertake to identify opportunities to optimise the benefits to the Northern Region and or State economy and to use local industry. The level of detail required will depend on the size and complexity of the contract.

An Industry Participation Plan will carry a weighted evaluation criterion of a minimum 10% in the tender evaluation process for Council contracts. However consideration will be given to increasing the minimum weighting based on merit.

- 4.3.7 The commitments made by a tenderer in their Industry Participation Plan will become a condition of contract should they be successful and regular reporting against the Industry Participation Plan commitments will be required.

- 4.3.8 Council reserves the right to negotiate or clarify commitments in any Industry Participation Plan submitted prior to finalisation of a contract. Following the execution of a contract, any changes proposed by the contractor relating to commitments made in the Industry Participation Plan will need to be authorised by Council.

4.4 Measurement and Reporting

4.4.1 Employment Contribution Test.

There are no reporting requirements against the Employment Contribution Test for contractors.

4.4.2 Industry Participation Plan.

Reporting on Council Industry Participation Policy Plan commitments will be a contractual requirement for contractors.

4.4.3 Council Reporting.

Council will report on Industry Participation Procedure outcomes annually.

5. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333

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Version history

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New	March 2021	Full Council	



Expense Card Procedure

Procedure Author	General Manager Strategy and Corporate
Date of next review	March 2025

1 Purpose

Council provides for the issuance and use of Expense Cards (Credit and Store Cards) to Workers as an efficient and effective method of procurement and or payment of Council related expenses, where Council does not have an active ongoing term contract for supply.

This Procedure outlines the appropriate use of an Expense Card and the obligations of the Holder and Approver and sets out the parameters for the effective management and governance of Expense Card facilities.

2 References and Supporting Documentation

This Procedure is to be read in conjunction with the Procurement Policy and Procurement Procedure.

- Local Government Act 1999 (SA)
 - Section 120 - Conflict of interest, and
 - Section 137 - Expenditure of funds.
- A New Tax System (Goods & Services Tax) Act 1999
 - Division 1 - Preliminary
 - 1-4 - States and Territories are bound by the GST law
 - Division 2 - Overview of the GST legislation
 - Chapter 2—The basic rules
 - Part 2-2—Supplies and acquisitions
- Fringe Benefits Tax Assessment Act 1986
- Worker Code of Conduct
- Travel Expenditure Policy
- Hospitality Policy
- Recognition of Staff Policy
- Expense Card Guideline
- Expense Card Request Form
- Delegations Register
- Global Glossary

3 Application

Chief Executive Officer	Approval of a Worker maintaining involvement in a procurement activity where an actual or potential conflict of interest has been declared.
Senior Manager - Finance	To ensure this Procedure is reviewed by Council as required. To review and approve Expense Card transactions relating to the Chief Executive Officer.
Presiding Member - Corporate Governance Committee	To provide a point of escalation for the Senior Manager - Finance in the case of Chief Executive Officer Expense Card transactions.
Internal Auditor	To conduct periodic audit of Councils procurement activities transacted via Expense Card and assist in the development of assurance metrics to ensure process application is compliant with this Procedure.
Manager – Procurement and Accounts Payable	To ensure correct application of this Procedure in the development of systemised and non-systemised procurement processes. Development and maintenance of internal training tools to assist in the correct application of this Procedure by Workers.
Accounts Payable Team	Processing and payment of Council Expense Card transactions. Creation and maintenance of Council Expense Card accounts.
Finance Team	To manage Councils treasury requirements with Councils contracted financial institution, including the provision of Credit Cards.
Workers holding CEO sub-delegation pursuant to Section 137 of the Local Government Act 1999 (Workers and Approvers)	Approval of expenditure of Council funds, the process undertaken preceding the approval request and the validation that the transaction is for a valid Council procurement activity, within Financial limitations delegated.

4 Procedure

4.1 Expense Card Type

4.1.1 Credit Card

A credit card is issued on behalf of Council by Councils nominated finance institution and may be in the form of a Master Card, Visa Card or other, dependent on the issuing institution with which Council has contracted its banking services. A Credit card allows for procurement of goods and Services with accepting suppliers and transacts payment to the supplying company at point of purchase.

4.1.2 Store Card

A store card is issued on behalf of Council by Councils nominated suppliers with which a trading account is held. A store card is supplier specific (supermarket, department store or hardware chain) and allows for procurement of goods without the need for a formal purchase order. Payment is transacted to the supplying company after reconciliation of a monthly consolidated invoice or statement (where point of sale tax invoices are issued) at the payment terms agreed.

4.2 Expense Card Management

4.2.1 Issuance and Revocation

4.2.1.1 Issuance of an Expense Card necessitates the submission of an Expense Card Request Form to the Finance team by the Manager of the intended Expense Card Holder. The Finance team will review, provide commentary and facilitate the approval process.

4.2.1.2 The review undertaken by the Finance team will include an assessment of:

- the appropriateness of an Expense Card in relation to the role held by the requested Expense Card holder;
- confirmation that the intended Expense Card holder is an Authorised Officer of Council; and
- that the Worker holds CEO sub-delegation to required financial limits;

4.2.1.3 A Worker whom is the intended Expense Card holder will be required to undergo training on the application of the Procurement Policy, Procurement Procedure, this Procedure and associated Guideline prior to an Expense Card being issued.

4.2.1.4 The Manager of an Worker whom is the intended Expense Card holder will be required to undergo training on the application of the Procurement Policy, Procurement Procedure, this Procedure and associated Guideline prior to an Expense Card being issued if that Manager has not previously undertaken.

4.2.2 Transfer of Role

4.2.2.1 Where a Worker, whom has been issued with an Expense Card, transfers to an alternate role within Council, a review must be undertaken as to:

- the appropriateness of an Expense Card in relation to the new role held by the Worker.
- the review undertaken may result in revocation of the Expense Card.

4.2.3 Periodic Review

4.2.3.1 The Finance team in collaboration with Council Executive Group will conduct an annual review of Expense Cards to determine:

- the number of Expense Cards, financial limits and impact on financial facilities;
- the current allocation of Expense Cards and role alignment;
- prior year usage patterns with respect to alignment to reasons for issuance;
- the conduct of Expense Card holders in relation to adherence to monthly reconciliation requirements.

The annual review undertaken may result in revocation of the Expense Card.

4.3 Expenditure Thresholds and Financial Limits

4.3.1 An Expense Card will have a set maximum transaction value limit. The maximum transaction value limit will not exceed a Worker's financial limit set by Chief Executive Officer sub-delegation under Section 137 of the *Local Government Act 1999*.

- 4.3.2 An Expense Card is intended for the efficient transacting of low value adhoc purchases and as such maximum transaction limits, unless specifically noted in this Procedure, will not exceed the lowest expenditure threshold of \$1000 set in Councils Procurement Procedure.
- 4.3.3 A Worker undertaking the following duties may be issued an Expense Card with a maximum transaction limit exceeding \$1000 upon review:
- Facilitation of travel and accommodation bookings on behalf of Council Workers and Elected Member group.
 - Facilitation of training course bookings on behalf of Council Workers and Elected Member group.
 - Facilitation of Council fleet vehicle registration requirements. This requirement will necessitate a once off annual increase in card limit to allow for the transaction. Once transacted, the card limit will be returned to the standard level.
- 4.3.4 All financial limitations sub-delegated by the Chief Executive Officer are exclusive of GST and the value represents the full value consideration for a procurement requirement. Splitting of the requirement is not permitted to circumvent limitations.
- 4.3.5 Where multiple Expense Card transactions for the same service delivery or supply type exceed an in aggregate value of \$100,000 for the preceding financial year, as identified during the annual spend analysis process, Council will institute a market approach in that service delivery or supply type with a view to executing a term contract for supply. Resulting contract types may be:
- Sole Supply (Single Provider); or
 - Panel (Multiple Providers)

4.4 Permitted Use

- 4.4.1 The use of an Expense Card is only permitted for Council related procurement activities.

Expense Cards are an efficient means of transacting low risk, low value, high volume, online or retail purchasing transactions.

4.5 Use in error

- 4.5.1 Where a Worker issued with an Expense Card uses the Expense Card for a personal transaction in error, the Worker will reimburse Council for the full transaction value.

4.6 Card Security

- 4.6.1 Officers issued with an Expense Card must take all reasonable steps to ensure the security of Expense Card details, therefore:
- 4.6.1.1 must not share Expense Card details or allow the use of the Expense Card by other Workers or persons.
 - 4.6.1.2 must take reasonable steps to ensure that secure and known websites are only used when purchasing on-line.
 - 4.6.1.3 must report lost or stolen Expense Cards immediately after becoming aware to enable inactivation or suspense of the Expense Card by the issuing company.

- 4.6.1.4 must report fraudulent Expense Card transactions immediately after becoming aware to enable inactivation or suspense of the Expense Card by the issuing company.

4.7 Monthly Reconciliation of Expense Card Transactions

- 4.7.1 All Expense Card transactions must be substantiated with a valid Tax Invoice.
- 4.7.2 Where a valid Tax Invoice is misplaced or lost, the Worker will be required to:
- source a replacement tax invoice from the supplying company; or
 - complete and sign a Statutory Declaration as to the validity of the relevant transaction/s for which no Tax Invoice has been provided.
- 4.7.3 Where applicable, the Expense Card reconciliation must include the necessary narration to ensure correct consideration of Fringe Benefits Tax (FBT).
- 4.7.4 Council has a requirement to maintain stringent time frames in relation to the reconciliation of Expense Card transactions. As such Workers must adhere to reconciliation times outlined in the associated Expense Card Guidelines. Repeated delays in the reconciliation of monthly transactions may result in the revocation of an Expense Card.

4.8 Approvals

- 4.8.1 By approving an Expense Card Transaction, Workers confirm that they have taken full notice of, and the Expense Card transaction/s being approved has complied with the requirements of the Procurement Policy and this Procedure.
- 4.8.2 Financial approval.
Only Workers issued with CEO sub-delegation under section 137 of the *Local Government Act 1999* may approve expenditure of Council funds within financial limitations delegated.

4.9 Conflict of Interest

- 4.9.1 Workers must declare any actual or perceived conflict of interest linked to the use of a supplier and or approval of Expense Card transactions. As a guide a conflict of interest can be defined as a Worker whom has an influential or beneficial interest, including related parties, in a supplier entity. The Worker must declare in writing the nature of their interest, and take no further part in transacting with that supplier unless approved by Councils Chief Executive Officer.
- 4.9.2 Workers undertaking procurement activities must acquaint themselves with Section 120 of the *Local Government Act 1999* for the legislated definition of a Conflict of Interest.
- 4.9.3 The identification and process for management of Conflicts of interest are described in Councils Employee Conduct Policy and all Workers undertaking procurement activities must acquaint themselves with this Policy.

4.10 Public Disclosure

4.10.1 All Council Credit Card and interstate/overseas travel transactions will be reported and made publicly available via Councils website on a monthly basis.

4.10.2 Workers should ensure any narration added to transactions in the monthly reconciliation process is:

- Suitable for public viewing;
- Does not contain personal or private information, including names; and
- Is clear and concise

5 Feedback

5.1.1 Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333

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Version history

Version no.	Approval date	Approval by	Change
1	TBA	Ordinary Council	New Procedure



Unsolicited Proposal Procedure

Procedure Author	General Manager – Strategy and Corporate
Date of next review	March 2025

1. Purpose

Local Government is a natural leader in local economic development. Councils are perfectly positioned to work with local stakeholders to drive a place-based approach to achieve economic prosperity.

As facilitators and enablers of economic growth, Councils are open to working together with the private and not-for-profit sectors to pursue innovative ideas that will create jobs, contribute to the best use of public assets and deliver a high quality of service to communities.

This Procedure provides a framework for new and innovative ideas to be brought forward. This Procedure also gives confidence to investors and the community that unsolicited proposals will be considered in a consistent, transparent and lawful manner to deliver the highest standards of public value.

2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Procurement Policy

- *Local Government Act 1999* (SA)
- *Independent Commissioner Against Corruption Act 2012* (SA)
- Risk Management Framework
- Worker Code of Conduct
- Procurement Procedure
- Industry Participation Procedure
- Annexure A – Process Flowchart
- Unsolicited Proposal Application Form
- Delegations Register
- Global Glossary

3. Application

Mayor and Chief Executive Officer	Execution of a Contract document requiring the affixation of the Common Seal of the Council, following the resolution of Council.
Chief Executive Officer (CEO)	To approve progression of an unsolicited proposal of a value exceeding expenditure limits sub-delegated to General Managers (Minimum approval level set within this Procedure).

	Approval of an Officer maintaining involvement in an unsolicited proposal process where an actual or potential conflict of interest has been declared.
General Managers	The minimum authority level set within this Procedure. Approve progression of an unsolicited proposal, of a value within CEO sub-delegated financial levels, to a following stage.
Senior Manager - Finance	Ensure this Procedure is reviewed by Council as required.
Internal Auditor Position Title	Conduct periodic audit of Council's unsolicited proposal processes and assist in the development of assurance metrics to ensure process application is compliant with this Procedure.
Manager – Procurement and Accounts Payable	Ensure correct application of this Procedure in the development of systemised and non-systemised processes. Development and maintenance of internal training tools to assist in the correct application of this Procedure by Officers.
Procurement Team	Facilitation of the process outlined in this Procedure. Facilitation of training to Council Officers to ensure correct application of this Procedure.
Officers holding CEO sub-delegation pursuant to Section 137 of the Local Government Act 1999 (Minimum General Manager)	Approval of expenditure of Council funds and the process undertaken preceding the approval request, within Financial limitations delegated.
Officers holding CEO sub-delegation pursuant to Section 37 of the Local Government Act 1999 (Minimum General Manager)	Enter into contract arrangements on behalf of Council, within Financial limitations delegated.
Risk & WHS Team	Assistance to Officers in the use of Council's Risk Management Framework and risk assessment tools.
Officers	Ensure compliant application of this Procedure in all unsolicited proposal activities undertaken.

4. Procedure

4.1 Council's Role and Functions

- 4.1.1 The Council is a council constituted under the *Local Government Act 1999* (SA).
- 4.1.2 The Council's principal role and functions are detailed in sections 6 and 7 of the *Local Government Act 1999*.
- 4.1.3 The Council's strategic vision for its Council area is outlined in its Strategic Plan, a copy of which is available on the Council's website or at its Council's office. Copies of other Council policies and plans are also available on its website

4.2 Definition of an Unsolicited Proposal and Application of this Procedure

- 4.2.1 The Council has adopted this Procedure for the purpose of section 49 of the *Local Government Act 1999*.

- 4.2.2 This Procedure applies to any unsolicited proposal that a proponent submits to the Council.
- 4.2.3 An unsolicited proposal is a new and innovative proposal from the private and non-government sector that could assist the Council to achieve its strategic objectives or satisfy a community need.
- 4.2.4 An unsolicited proposal is a proposal submitted to the Council that has not been requested by the Council through its regular procurement processes.
- 4.2.5 An unsolicited proposal may include a proposal for:
- the purchase, lease or development of Council owned or managed land; or
 - the delivery of goods or services to or on behalf of the Council; or
 - the provision of infrastructure for the community; or
 - innovative goods and or services requiring a need to perform proof-of-concept testing or outcome-based trials.
- 4.2.6 The minimum financial thresholds for an unsolicited proposal under this Procedure is \$20,000.
- 4.2.7 Where an unsolicited proposal involves more than one Council, the relevant Councils may resolve to adopt any one of their unsolicited proposals Procedures, with any required variations, to apply to that proposal in place of their individual Procedures.

4.3 Council's Objectives

- 4.3.1 The following objectives will guide the Council's consideration of unsolicited proposals in accordance with this Procedure.
- 4.3.1.1 promoting the development of innovative ideas by the private and community sector to support the Council's role and functions discussed in clause 4.1 of this Procedure and the Council's broad objectives as outlined in its Strategic Plan;
- 4.3.1.2 ensuring that unsolicited proposals are received and assessed via an open, transparent and fair process that involves high standards of probity and public accountability;
- 4.3.1.3 ensuring that the unsolicited proposals process is not used to circumvent the Council's regular procurement processes where appropriate;
- 4.3.1.4 ensuring value for money for the Council is achieved from any unsolicited proposal;
- 4.3.1.5 maximising the benefits from unsolicited proposals for the Council and its constituents; and
- 4.3.1.6 ensuring the Intellectual Property of a party submitting an unsolicited proposal is appropriately protected.

4.4 Period of Exclusivity

4.4.1 Criteria for assessment.

The Council may, in its absolute discretion, enter into a period of exclusive negotiation with a proponent who has submitted an unsolicited proposal. The Council recognises that circumstances may arise where it is beneficial to deal exclusively with one party in relation to a particular proposal that has been submitted to the Council. These circumstances include where a party's Intellectual Property should be protected.

The criteria that the Council will consider to determine if a period of exclusivity should be entered into with a particular proponent are:

4.4.1.1 *No competing proposals*

The Council will consider whether the subject matter of an unsolicited proposal is already the subject of existing or proposed procurement processes. If the subject matter of an unsolicited proposal is already being considered or proposed to be considered by the Council in this way, then it is unlikely that an unsolicited proposal will pass Stage 1.

4.4.1.2 *Community need/Council priority*

An unsolicited proposal must:

- promote the Council's role and functions discussed in clause 4.1 of this Procedure;
- be broadly consistent with the Council's objectives outlined in its Strategic Plan; and
- provide an economic, social or environmental outcome for the Council.

4.4.1.3 *Uniqueness*

It is imperative that an unsolicited proposal demonstrates how and why it is unique to justify the Council considering the proposal under this Procedure rather than via its usual procurement processes.

A proponent may be able to establish the uniqueness of its proposal by demonstrating that:

- its proposal cannot be readily delivered by competitors at all or within the timeframes proposed by the proponent;
- the proponent owns something that would limit other parties from being able to deliver the proposal (for example, Intellectual Property, strategic landholdings);
- that the proponent has unique finance arrangements that enable it to deliver the proposal where other parties would not be able to; or
- a combination of factors which may not stand alone as being unique but which together create a unique proposal.

4.4.1.4 *Value for money*

The proposal must represent value for money for the Council. 'Value' can include:

- financial benefits;
- economic benefits; and
- community benefits.

4.4.1.5 *Capacity and capability of proponent*

The proponent must have the skills, experience and resources required to enable it to deliver the proposal.

4.4.2 The exclusivity period.

If the Council determines to enter into a period of exclusive negotiation with a proponent, the following broad terms will apply:

- 4.4.2.1 during the exclusivity period, the Council will not enter into negotiations with another party in relation to another proposal that is substantially similar to the subject matter of the proposal;
- 4.4.2.2 the exclusivity period will be limited to the development of the specific proposal submitted by the proponent to the Council;
- 4.4.2.3 the exclusivity period will be for a set period as advised by the Council to the proponent;
- 4.4.2.4 the Council may set specific terms and conditions for the exclusivity period which it will advise the proponent of in writing;
- 4.4.2.5 the Council may end the exclusivity period at any time and withdraw from exclusive or all negotiations with the proponent; and
- 4.4.2.6 all correspondence between the Council and the proponent will be kept confidential, subject to any legislative requirements.

4.5 Process for Receipt and Consideration of Unsolicited Proposals

4.5.1 Facilitation of an Unsolicited Proposal through Council.

All unsolicited proposals provided to Council will be registered and facilitated by Council's Procurement team. The Procurement team will register the proposal in the Procurement team work plan assigning a unique identifying number and will assign the facilitation of the proposal through Council to the most adequately experienced procurement team member. The team member assigned will be herein referred to as the Unsolicited Proposal Coordinator

4.5.1.1 The key role of the Unsolicited Proposal Coordinator is to:

- ensure in the first instance that the proposal broadly conforms to the criteria set out in clause 4.2; and
- facilitate the consideration of the proposal through Council, ensuring adherence to the following process.

4.5.2 Pre-lodgment meeting.

Before formally submitting an unsolicited proposal via the process detailed below, the proponent may request a pre-lodgment meeting with the Unsolicited Proposal Coordinator. This meeting is not mandatory but it may assist the proponent to determine if their proposal is one that may be considered under this Procedure.

Proponents are encouraged to bring a draft completed Application Form with them to this meeting.

Nothing that is discussed at the pre-lodgment meeting binds the Council or the proponent and the proponent may continue with lodgment of its proposal notwithstanding any feedback that it may receive at or following the pre-lodgment meeting.

4.5.3 Receipt and assessment process.

The process by which the Council will receive and consider unsolicited proposals is a three stage process. The three stages are:

1. Initial Proposal
2. Detailed Proposal
3. Contract Negotiation

Each of these stages is discussed in more detail below.

4.5.3.1 Stage 1: Initial Proposal

The objective of the initial proposal stage is to enable a proponent to provide the Council with a high level overview of its proposal which enables the Council to form a preliminary view as to whether:

- the proposal may be considered under this Procedure; and
- if the proposal should be considered further.

A proposal should comprise a completed Application Form (which can be downloaded from the Council's website) and may also include further information that the proponent wishes to provide at this stage.

A proposal must be lodged electronically via: UnsolicitedProposals@playford.sa.gov.au

A proposal will not involve negotiation at this stage. This opportunity will arise in later stages if the Council determines that the proposal should proceed.

Once a proposal has been submitted in accordance with this Procedure and the Unsolicited Proposals Coordinator determines that it has sufficient information about the proposal to consider it, then the Unsolicited Proposals Coordinator will convene a meeting with representatives of relevant departments of the Council depending on the subject matter of the proposal (Assessment Panel).

The Assessment Panel will determine whether the proposal meets the criteria for it to be considered under this Procedure. To make its decision, the Assessment Panel may consult with other Council departments and professional advisers as it deems necessary.

If the Assessment Panel determines that the proposal should proceed to the next stage of the process, a recommendation and report on this basis will be prepared for consideration of the Council's Delegate. Council's CEO sub-delegated financial authority thresholds shall form the basis of the selected Delegate, however shall be set at a minimum level of General Manager.

If the Assessment Panel recommends that the proposal not be accepted or the Council's Delegate does not endorse the proposal, the proponent will be notified in writing of this outcome by the Unsolicited Proposals Coordinator. This notice may also notify the proponent that the subject matter of the proposal may form the basis of a competitive bidding process.

Where Council's Delegate does endorse the proposal, the proposal will proceed to Stage 2 and the proponent will be provided with the following:

- notification that the proposal has been approved by the Council to proceed to Stage 2;
- a copy of the Council's resolution, where applicable;
- the broad terms and timeframes for Stage 2 consideration of the proposal; and
- information on any other matters relevant to the proposal and the Council's further consideration of it that the Council considers to be appropriate.

The anticipated timeframe for the completion of Stage 1, commencing from when the Unsolicited Proposals Coordinator determines that it has all of the information it needs to consider the proposal, is 30 days.

Any endorsement of a proposal at Stage 1 is "in principle" endorsement only so that the proposal may proceed to Stage 2 consideration.

4.5.3.2 *Stage 2: Detailed Proposal*

Stage 2 involves further consideration of the feasibility of the proposal, how it will be delivered, whether it represents value for money for the Council and what outcomes it will deliver for the Council and the community.

Stage 2 will be an interactive process between the Council and the proponent within a framework established by the Council.

The Council will establish a framework for Stage 2 which may include:

- confidentiality, conflict of interest, communication and probity protocols;
- Stage 2 participation terms and conditions;
- Stage 2 assessment criteria;
- timeframes;
- information to be provided and/or shared;
- governance requirements; and
- any other matters that the Council considers necessary or desirable.

The matters that the Council will consider during Stage 2 are:

- the value for money proposition from the proposal;
- if the proposal is legally, technically and financially feasible;
- how the proposal would best be structured to deliver the best outcome for the Council;
- a cost/benefit analysis of the proposal;
- whether the proposal or any part of it would more appropriately be the subject of a competitive bidding process;
- the appropriate consideration of risk; and
- the proposed delivery method.

During Stage 2 the Unsolicited Proposal Coordinator will:

- convene meetings of the Steering Committee with any other subject matter experts, professional advisers and other persons that the Unsolicited Bids Coordinator sees fit;
- convene meetings with the proponent;
- request further information from the proponent as required;
- obtain reports and further information for the Council's consideration of the proposal; and
- arrange the preparation of a detailed report on the proposal for the Council Delegate's consideration.

During Stage 2, a proponent must:

- develop a detailed proposal, consistent with the requirements outlined by the Council at the end of Stage 1;
- provide any additional information as required; and
- make themselves available to participate in meetings requested by, and respond to communications from, the Unsolicited Bids Coordinator.

At the end of Stage 2, a report and recommendation will be prepared for the Council Delegate's consideration and the proponent will be advised in writing of the Delegate's recommendation with respect to one of the following:

- that all or part of the proposal will proceed to Stage 3 on an exclusive consideration basis;
- that all or part of proposal will not continue to be considered on an exclusive basis but that all or part of the proposal warrants a competitive bidding process; or
- that all or part of the proposal is not suitable for further consideration and its consideration under this Procedure is now at an end.

4.5.3.3 Stage 3: Contract Negotiation

Stage 3 allows the Council and the proponent to negotiate a suitable contract or contracts for the implementation of the proposal.

At the commencement of Stage 3, the Unsolicited Proposals Coordinator will advise the proponent of the process and protocols for the development of a contract.

Once a contract has been agreed in principle between the Council Administration and the proponent, the contract will be submitted to the Council Delegate to seek their approval for the Contract to be executed.

The Unsolicited Proposals Coordinator will then advise the proponent in writing of one of the following:

- that the Council agrees to the terms and conditions of the contract and will proceed to execute it;
- that the Council agrees to the contract, subject however to specified variations or conditions;
- that the Council does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process, including a competitive bidding process; or
- that the Council does not agree to enter into the contract and that its consideration of the proposal under this Procedure is now at an end.

4.6 Probity Framework

4.6.1 It is a primary objective of this Procedure to ensure the probity of the processes employed by the Council to consider unsolicited proposals. As such, in addition to any specific requirement outlined in this Procedure, probity principles and protocols will be established when dealing with proponents in relation to their unsolicited proposals to ensure:

4.6.1.1 proposals are received, assessed and negotiated, and decisions are made, through an approved and transparent framework;

4.6.1.2 decisions are made through a robust framework and so that they will deliver the best outcomes for the Council and its community;

4.6.1.3 confidential information is protected; and

4.6.1.4 any perceived conflict of interest, bias or misconduct is eliminated.

4.6.2 Council may, at any Stage outlined in this Procedure, engage a probity adviser or auditor.

4.7 Intellectual Property Rights

4.7.1 The Council acknowledges the unsolicited proposals may contain Intellectual Property of the proponent and/or third parties.

4.7.2 If the Council declines to consider, or ends its consideration of, an unsolicited proposal submitted in accordance with this procedure, and the Council elects to engage in a competitive bidding process or other approach to the market in relation to the subject matter of the proposal, the Council will respect any Intellectual Property rights of the proponent and/or third parties.

4.8 Supplementary Information

4.8.1 The Council may from time to time, at its discretion, publish supplementary information to assist proponents with the interpretation and application of this Procedure.

4.9 Publication of Details of Unsolicited Proposals

- 4.9.1 Council may, where deemed appropriate for the level of risk and or community impact, publish the consideration of an Unsolicited Proposal. The publication will give due consideration to any Intellectual Property rights of the proponent and as such the publication may be drafted in consultation with the proponent.

5. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3960773
Version no.	1
Policy link	Procurement Policy
Procedure author	General Manager – Strategy and Corporate
Endorsed by	Council
Resolution no.	N/A
Legal requirement	Local Government Act 1999
Review schedule	4 years – per Procurement Policy review schedule
Date of current version	March 2021
Date of next review	March 2025

Version history

Version no.	Approval date	Approval by	Change
New	March 2021	Full Council	

6. Annexure A – Process Flowchart

STAGE 1 – INITIAL PROPOSAL		
Proponent Actions	Council Actions	Possible Outcomes
<p>Submit the completed Application Form and any further information to: UnsolicitedProposals@playford.sa.gov.au</p> <p>Submit any further information that may be requested.</p>	<p>Determine if sufficient information has been provided.</p> <p>Convene a meeting of the Assessment Panel.</p> <p>Determine whether the proposal meets the criteria for it to be considered under the Procedure.</p> <p>Prepare a report for Council Delegate's consideration.</p> <p>Advise the proponent of the Stage 1 decision.</p>	<p>That the proposal is not suitable for further consideration and is now closed.</p> <p>OR</p> <p>That the proposal may form the basis for a competitive bidding process.</p> <p>OR</p> <p>That the proposal will proceed to Stage 2.</p>
STAGE 2 – DETAILED PROPOSAL		
<p>Submit a detailed proposal.</p> <p>Provide additional information as requested.</p> <p>Attend meetings as requested with, and respond to communications from, the Council.</p>	<p>Establish the Stage 2 framework and advise the proponent of this.</p> <p>Arrange meetings with the assessment panel and any other subject matter experts, professional advisers and other persons.</p> <p>Arrange meetings with the proponent as required.</p> <p>Request further information from the proponent as required.</p> <p>Obtain reports and further information for the Council Delegate consideration.</p> <p>Arrange the preparation of a detailed report on the proposal for the Council Delegate consideration.</p> <p>Advise the proponent of the Stage 2 decision.</p>	<p>That all or part of the proposal will proceed to Stage 3 on an exclusive consideration basis.</p> <p>OR</p> <p>That all or part of proposal should not continue to be considered on an exclusive basis but that all or part of the proposal warrants a competitive bidding process.</p> <p>OR</p> <p>That all or part of the proposal is not suitable for further consideration and its consideration under the Procedure is now at an end.</p>
STAGE 3 – CONTRACT NEGOTIATION		
<p>Negotiate contract terms.</p>	<p>Advise the proponent of the process and protocols for the development of a contract.</p> <p>Negotiate the contract.</p> <p>Submitted the agreed contract to the Council Delegate to seek approval for the contract to be executed.</p> <p>Advise the proponent of the Council's decision.</p>	<p>That the Council agrees to the terms and conditions of the contract and will proceed to execute it.</p> <p>OR</p> <p>That the Council agrees to the contract, subject however to specified variations or conditions.</p> <p>OR</p> <p>That the Council does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process.</p> <p>OR</p> <p>That the Council does not agree to enter into the contract and that its consideration of the proposal under the Procedure is now at an end.</p>

Risk Assessment For	Procurement Policy
Date Completed	10/02/2021
Stakeholders Consulted in development risk assessment	Mike Brunings / Rob Constance
Status	WIP

Risk Identification							Initial Analyse		Evaluate	Existing Controls	Existing Analyse		Evaluate			Treatment Analyse		Evaluate	Status	
Risk ID	Date Identified	Risk Appetite Statement Alignment	Risk Description	Risk Owner	Cause	Possible Consequence	Inherent Consequence (Risk Matrix)	Inherent Likelihood (Risk Matrix)	Inherent Risk Rating	Existing Controls Description	Residual Consequence (Risk Matrix)	Residual Likelihood (Risk Matrix)	Controlled Risk Rating	Mitigation Description	Current Status of Mitigation	Treatment Consequence (Risk Matrix)	Treatment Likelihood (Risk Matrix)	Residual Risk Rating	Action Due Date	Risk Status
1	11/02/2021	Legislative Compliance	Councils breaches legislative requirement	Mike Brunings	<ul style="list-style-type: none">• Policy revoked• Policy out of date or unclear• Misinterpretation of legislation, lack of understanding, lack of process.• Legislative updates not captured	<ul style="list-style-type: none">• Financial loss / misallocation of funds• Regulator intervention (Inc ICAC, ATO, Auditor General)• Reputation damage (inc but not limited to Community and Elected Members)• Impact on procurement outcomes• Lost opportunity to afford other work in the future	(3) Moderate	(4) Likely	HIGH	<ul style="list-style-type: none">• Existing Procurement policy in place (also supported by associated policy i.e. Financial & Delegations etc)• Legislative Norman Waterhouse updates• Legal Advice contract with Norman Waterhouse for provision of advice.• LGA Updates• Policy review schedule	(3) Moderate	(1) Rare	LOW	<div>Treatment Plan - Policy review to be undertaken. To be included in policy review cycle (to be determined as part of Policy Framework).</div> <div>***** Note - This policy is with the ICAC Program - It is acknowledged that the existing Policy does cover necessary requirements for good practice procurement although does not encompass recommendations made by the Deputy Commissioner. This will be addressed within the review.</div>	WIP					
2	11/02/2021	Service Delivery	Process and procedures do not support Policy	Mike Brunings	<ul style="list-style-type: none">• Absent, insufficient, unclear or outdated process or procedures• Lack of understanding.	<ul style="list-style-type: none">• Service interruption• Impact on procurement outcomes and principles• Financial impost• Reputation damage• Negative audit findings• Negative impact on staff morale• biased treatment of suppliers.• potential for fraud, misappropriation etc.• Potential for litigation proceedings	(3) Moderate	(4) Likely	HIGH	<ul style="list-style-type: none">• Process suite in place (inc guideline and techone systemised processes)	(3) Moderate	(2) Unlikely	MEDIUM	<div>Treatment Plan - Process suite to reviewed in line with policy review.</div>	WIP	(3) Moderate	(2) Unlikely	MEDIUM		

[illegible]

Risk Assessment For	Industry Participation Policy (Revocation)
Date Completed	16/02/2021
Stakeholders Consulted in development risk assessment	Mike Brunings / Rob Constance
Status	WIP

Risk Identification							Initial Analyse		Evaluate	Existing Controls	Existing Analyse		Evaluate			Treatment Analyse		Evaluate	Status	
Risk ID	Date Identified	Risk Appetite Statement Alignment	Risk Description	Risk Owner	Cause	Possible Consequence	Inherent Consequence (Risk Matrix)	Inherent Likelihood (Risk Matrix)	Inherent Risk Rating	Existing Controls Description	Residual Consequence (Risk Matrix)	Residual Likelihood (Risk Matrix)	Controlled Risk Rating	Mitigation Description	Current Status of Mitigation	Treatment Consequence (Risk Matrix)	Treatment Likelihood (Risk Matrix)	Residual Risk Rating	Action Due Date	Risk Status
1	11/02/2021	Reputation	Community perception exists that Council does not support state and northern region assessment in its procurement activities.	Mike Brunings	<ul style="list-style-type: none">• Policy revoked• Policy out of date or unclear• Lack of understanding, lack of process.	<ul style="list-style-type: none">• Reputation damage (inc but not limited to Community and Elected Members)• Reduced community benefit from procurement outcomes• Community does not see Council as an enabler	(3) Moderate	(4) Likely	HIGH	<ul style="list-style-type: none">• Existing Industry Participation policy in place (also supported by associated Procurement Policy)• Policy review schedule	(3) Moderate	(1) Rare	LOW	Treatment Plan - Policy revocation to be undertaken and transferred to a Procedure linked to the Procurement Policy. Industry Participation is a formalised process within Councils Procurement Policy framework. To be included in policy review cycle (to be determined as part of Policy Framework).	WIP	(3) Moderate	(1) Rare	LOW		
2	11/02/2021	Service Delivery	The risk that the current content of revoked policy is lost	Mike Brunings	<ul style="list-style-type: none">• Absent, insufficient, unclear or outdated process or procedures• lack of understanding.• Review process incomplete or inadequate	<ul style="list-style-type: none">• Service interruption• impact on procurement outcomes and principles• Reputation damage• Negative impact on staff morale	(3) Moderate	(4) Likely	HIGH	<ul style="list-style-type: none">• Process suite in place (inc guideline and assesment tools)	(3) Moderate	(1) Rare	LOW	Treatment Plan - As above	WIP	(3) Moderate	(1) Rare	LOW		
3	11/02/2021	Legislative Compliance	The risk that the council breach legislative requirement **** Note - There is no legilsative requirement for council to have a Industrial Participation Policy	Mike Brunings	Absence of policy	Regulatory intervention	(3) Moderate	(3) Possible	MEDIUM	No controls in place other than existing policy/procedures.	(3) Moderate	(3) Possible	MEDIUM	Treatment Plan - As above	WIP	(3) Moderate	(1) Rare	LOW		

5.3 FRAUD AND CORRUPTION CONTROL POLICY CONSULTATION

Responsible Executive Manager : Mr Barry Porter

Report Author : Ms Susie Reichstein

Delegated Authority : Matters for Information.

Attachments : 1 [↓](#). Proposed Fraud and Corruption Control Policy

Purpose

The Corporate Governance Committee is provided with the proposed Fraud and Corruption Control Policy for review and consultation.

STAFF RECOMMENDATION

The Committee notes the proposal for Council to adopt the proposed Fraud and Corruption Control Policy and provides the following feedback:

1. _____
2. _____
3. _____

Relevance to Strategic Plan

Decision – making filter: We will ensure we meet our legislative requirements and legal obligations.

This Policy although not required by legislation, has strong linkages to the *Independent Commissioner Against Corruption Act 2012* and the *Public Interest Disclosure Act 2018*.

Relevance to Public Consultation Policy

There is no requirement to consult with the community on this matter.

Background

The ICAC Evaluation of the Practices, Policies and Procedures of the City of Playford Council, Recommendation 8, requires Council to develop and implement, in accordance with the Policy Governance Framework, a Fraud and Corruption Control Policy that is modelled on the Australian Standards AS8001-2008.

The key principles of Australian Standards AS8001-2008 include sound risk management, planning, monitoring, remedial action are reflected in the proposed policy. Council's Legal Services Provider, Norman Waterhouse provided the initial draft of the proposed Fraud and Corruption Control Policy. Staff also used relevant aspects of the Local Government Association (LGA) Fraud, Corruption and Maladministration model policy in the proposed document.

Current Situation

The development of a Fraud and Corruption Control Policy was a direct recommendation of the Deputy ICAC Commissioner and represents good governance practice.

The Council is strongly committed to an environment of sound governance, robust internal controls and a culture that will safeguard Council resources. This policy reflects a commitment to the prevention, detection and management of fraud, corruption and other criminal conduct, misconduct and maladministration.

Future Action

Post consultation, the proposed Fraud and Corruption Control Policy will be revised to incorporate any resolved amendments proposed by the Corporate Governance Committee. The proposed Policy will then be submitted to the Policy Review Committee for consideration and recommendation to Council.



Fraud and Corruption Control Policy

Policy Author	General Manager Strategy and Corporate
Date of next review	March 2023

1. Statement of Intent

Council is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency, which are all key components of good governance. A culture of acting lawfully, ethically and in a socially responsible manner is promoted throughout the organisation and all workers expected to act in an ethical manner at all times in the performance and discharge of duties in association with their role with Council.

The Council is strongly committed to an environment of sound governance, robust internal controls and a culture that will safeguard Council resources. This policy reflects a commitment to the prevention, detection and management of fraud, corruption and other criminal conduct, misconduct and maladministration.

This policy together with relevant procedures, is intended to:

- Reinforce that Council has a zero tolerance to fraud, corruption and other criminal conduct, misconduct and maladministration;
- Promote and foster an environment that upholds the prevention of fraud, corruption and other criminal conduct, misconduct and maladministration;
- Maintain procedures which ensure workers understand their obligations to prevent fraud, corruption and other criminal conduct, misconduct and maladministration;
- Implement detection, prevention and response strategies.

Council's Foundation Principles - Full Disclosure and Do No Harm are two clear boundaries that everyone in the organisation works within. These two principles are non-negotiable and help create an environment where all workers can make the most of their skills and experience and genuinely contribute to the community.

The principle of Full Disclosure is applicable to this Policy as it means no surprises and encourages workers to share the right information, with the right people, at the right time. Full Disclosure serves to create an environment in which workers feel they can readily report any suspected fraud and/or corruption. The principle, Do No Harm means do no physical or psychological harm to other people, but also extends to Council's assets, environment and the community. Do No Harm encourages workers to act and undertake their duties in an honest, respectful and ethical manner.

This Policy is intended to complement and be implemented in conjunction with other relevant Council policies, procedures and codes including:

- Public Interest Disclosure Procedure
- Code of Conduct for Council Employees

- Code of Conduct for Council Members
- Council Member Support Policy
- Council Member Support Procedure
- Worker Code of Conduct

1.1 Obligations and responsibilities

- 1.1.1 All workers of the Council are accountable for the efficient and effective use of Council resources and must exhibit the highest levels of ethical behaviour and act in accordance with all relevant standards of conduct applicable to their position.
- 1.1.2 The Independent Commissioner Against Corruption (ICAC) is established under the ICAC Act. The ICAC has issued Directions and Guidelines under the Act (the Directions and Guidelines) that are binding on public authorities including councils and Public Officers. Councils and Public Officers must comply with the Directions and Guidelines issued by the ICAC.
- 1.1.3 All workers and Council Members will demonstrate their commitment to the prevention, detection and reporting of any actual or suspected fraud, corruption and other criminal conduct, misconduct and maladministration by behaving in a manner consistent with the significant ethical obligations on them including under the Directions and Guidelines and the Code of Conduct for Council Members and Code of Conduct for Council Employees respectively.

1.2 Australian Standard AS 8001-2008 Fraud and Corruption Control

- 1.2.1 The Australian Standard AS 8001-2008 (**the Standard**) views fraud and corruption control as a holistic concept involving implementation and continuous monitoring across prevention, detection and response. The Council will endeavour to implement those elements of the Standard as relevant and appropriate to local government and having regard to level of risk, resourcing, efficacy and efficiencies.
- 1.2.2 This policy should be viewed as part of a control framework within the Council which encompasses the following key areas:
- Governance and Ethics
 - Awareness and Training
 - Prevention
 - Reporting, Detection and Response
 - Monitoring and Reporting
- 1.2.3 The control framework includes:
- policies, procedures and codes implemented by the Council, or as prescribed by legislation; applying to the prevention, detection and control of fraud, corruption and other criminal conduct, misconduct and maladministration and in connection with the activities of the Council;
 - the promotion of an ethical culture and the prevention, identification and reporting of any actual or suspected instances of fraud, corruption and other criminal conduct, misconduct and maladministration; and
 - awareness training, education and information regarding fraud, corruption and

other criminal conduct, misconduct and maladministration relevant to roles, functions and duties.

1.3 Prevention of Fraud, Corruption and other Criminal Conduct, Misconduct and Maladministration

1.3.1 A key strategy for managing the risk of fraud, corruption and other criminal conduct, misconduct and maladministration is the proactive prevention of such conduct through the facilitation of a sound ethical culture. The Council will provide training and education for workers and Council Members performing official functions and duties in connection with the activities of the Council in relation to ethics, incorporating awareness of fraud, corruption and other criminal conduct, misconduct and maladministration.

1.3.2 Such training and education will aim to provide workers and Council Members with:

- An understanding of the responsibilities of their positions;
- Familiarisation with Council policies, procedures and similar documents relevant to fraud, corruption and other criminal conduct, misconduct and maladministration;
- An understanding of what is meant by fraud, corruption, other criminal conduct, misconduct and maladministration;
- An awareness of the strategies implemented by the Council to prevent, detect and respond to fraud, corruption and other criminal conduct, misconduct and maladministration; and
- Information regarding their reporting obligations under the Directions and Guidelines.

1.4 Reporting, Detection and Response

The risk of fraud, corruption and other criminal conduct, misconduct and maladministration within the Council will be systematically identified, analysed and evaluated on a regular basis.

- 1.4.1 The Council will implement and maintain appropriate internal control mechanisms to detect fraud, corruption and other criminal conduct, misconduct and maladministration. In addition to the Directions and Guidelines, the Council will provide instruction to workers and Council Members for the reporting of suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration.
- 1.4.2 The Council will provide information to members of the public for the making of complaints regarding suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration.
- 1.4.3 All reports or complaints of suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration will be dealt with in accordance with relevant legislation including but not limited to the *Independent Commissioner Against Corruption Act 2012* and the *Public Interest Disclosure Act 2018*.
- 1.4.4 Any Public Officer who has or acquires knowledge of actual or suspected corruption, or systematic or serious misconduct or maladministration in the Council or in other public administration must report this information to the Office for Public Integrity as soon as practicable, in accordance with the Commissioner's reporting requirements as identified in the *ICAC Directions and Guidelines*.

- 1.4.5 A report to the OPI must be made using the online report form available at:
<https://icac.sa.gov.au/opi>
Particulars of what a report should include are available in the *ICAC Directions and Guidelines*.
- 1.4.6 The Council will ensure it complies with its obligations as a public authority under the ICAC Directions and Guidelines for Public Officers and provide training and information to workers and other Public Officers performing official functions and duties in connection with the activities of the Council regarding their obligations under the *ICAC Directions and Guidelines* for Public Officers.
- 1.4.7 Nothing in this section is intended to prevent a Public Officer from reporting suspected corruption or systematic or serious misconduct or maladministration in the Council or in other public administration to a Relevant Authority, like a Council's Responsible Officer, for the purposes of the PID Act. Such a disclosure, will be managed in accordance with the Public Interest Disclosure Procedure.
- 1.4.8 Where worker of Council Member has or acquires knowledge of actual or suspected Fraud or other similar conduct that does not constitute corruption or systematic or serious misconduct or maladministration (and is therefore not required to be reported to OPI), that knowledge should be reported to the Council's Responsible Officer. Such a disclosure, will be managed in accordance with the Public Interest Disclosure Procedure.

2. Scope

This policy applies to the performance and discharge of the functions and duties of the Council and the activities of workers of the Council while undertaking their functions and duties.

3. Legislation and References

- *Local Government Act 1999*, Section 8, Section 125
- *Independent Commissioner Against Corruption Act 2012*
- *Independent Commissioner Against Corruption South Australia Directions and Guidelines for Public Officers*
- *Public Interest Disclosure Act 2018*
- AS 8001-2008 Fraud and Corruption Control Standards Australia
- Complaints Handling Policy
- Complaints Handling Procedure
- Public Interest Disclosure Procedure
- Code of Conduct for Council Employees
- Code of Conduct for Council Members
- Worker Code of Conduct
- City of Playford Global Glossary
- This Policy should not be considered as the only document that may relate to fraud and corruption, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	<p>Adopt and comply with this Policy and any related legislation, policies or procedures</p> <p>Promote community awareness of Council's commitment to the prevention of fraud and corruption</p> <p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Report any suspected or actual occurrences of fraud and corruption</p> <p>Undertake awareness training or education regarding fraud, corruption, maladministration and misconduct as required</p> <p>Ensure all powers and authorities are appropriately delegated in order to minimise the risk of fraud, corruption, misconduct or maladministration</p>
Chief Executive Officer	<p>Promote community awareness of Council's commitment to the prevention of fraud and corruption</p> <p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Ensure all powers and authorities are appropriately sub-delegated in order to minimise the risk of fraud, corruption, misconduct or maladministration</p> <p>Ensure that workers are aware of their responsibilities in relation to fraud and corruption through the provision of appropriate and regular training</p> <p>Ensure workers are aware of their reporting obligations and have the appropriate skills and knowledge to identify fraud and corruption</p> <p>Provide mechanisms for receiving allegations of fraud or corruption and ensure any such matters are appropriately addressed (reporting and/or investigation)</p> <p>Ensure effective screening workers is undertaken as required</p>
General Managers	<p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Ensure that workers are aware of their responsibilities in relation to fraud and corruption through the provision of appropriate and regular training</p> <p>Ensure workers are aware of their reporting obligations and have the appropriate skills and knowledge to identify fraud and corruption</p>

	Ensure effective screening of workers is undertaken as required
Managers	<p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Create an environment in which fraud and corruption is discouraged and readily reported</p> <p>Ensure workers are aware of their reporting obligations and have the appropriate skills and knowledge to identify fraud and corruption</p>
Workers	<p>Comply with this Policy and any related legislation, policies or procedures</p> <p>Report any suspected or actual occurrences of fraud and corruption</p> <p>Undertake awareness training or education regarding fraud, corruption, maladministration and misconduct as required</p> <p>Act in an ethical manner at all times in the performance of duties in association with the their role with Council</p>

5. Relevance to Risk Appetite Statement

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation.

This Policy addresses this risk by outlining Council's commitment to good governance and to mitigating the possibility of fraud and corruption within the organisation.

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation.

This Policy, although not legislatively required, promotes the legislative requirements prescribed within the *Independent Commissioner Against Corruption (ICAC) Act 2012* and the *Public Interest Disclosure Act 2018*.

Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts on the delivery of the Long Term Financial Plan (LTFP) and the City of Playford's overall financial stability and sustainability.

This Policy addresses this risk by providing a commitment to fraud and corruption control, that when implemented with other control measures, legislation and codes; seeks to prevent fraud and the consequential financial impacts fraudulent activities could incur.

6. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.

Version no.	1
Procedure link	N/A
Policy author	General Manager Strategy and Corporate
Endorsed by	Council
Resolution no.	
Legal requirement	N/A
Review schedule	2 Years
Date of current version	March 2021
Date of next review	March 2023

Version history

Version no.	Approval date	Approval by	Change
1	TBC	Council – Resolution XXXX	New Policy

5.4 FEES AND CHARGES POLICY REVIEW

Responsible Executive Manager : Mr Barry Porter

Report Author : Ms Joy O'Keefe-Craig

Delegated Authority : Matters for Information.

Attachments :

- 1. [Current Fees and Charges Policy](#)
- 2. [Current Fees and Charges Guidelines](#)
- 3. [Proposed Fees and Charges Policy](#)
- 4. [Proposed Fees and Charges Procedure](#)

Purpose

The purpose of this report is to seek feedback from the Corporate Governance Committee on the proposed Fees and Charges Policy and Procedure.

STAFF RECOMMENDATION

That the Corporate Governance Committee notes the proposed Fees and Charges Policy and Procedure and provides the following feedback:

1. _____
2. _____
3. _____

Relevance to Strategic Plan

Community Theme 5 - Using money wisely

Policy documents that guide decision making of Council and Administration are essential to communicate clearly to the community strategy implementation and the manner in which decisions are made. By reviewing the Fees and Charges Policy Council can provide information in a transparent way and demonstrate to the community how Council set, wave and amend fees and charges.

Council seeks to demonstrate strong leadership to ensure the community is confident in its leaders by demonstrating a strategic financial direction and transparency in Council's approach to fees and charges. Reviewing our policies supports compliance and confidence that all steps have been taken to ensure Council's strategy implementation and relevant policy documents guide the decision making of Council. Sound policy builds confidence in the Council's management of responsibilities and ensures transparency and accountability are upheld.

Relevance to Public Consultation Policy

There is no requirement for community consultation regarding the review of this policy. Once endorsed, the updated Policy will be made available on Council's website.

Background

Council creates and maintains a network of policies to set strategic direction and support effective decision making. Council's policies play an important role in communicating Council's intention, obligations and setting our roles and responsibilities in decision making.

The Fees and Charges Policy was last reviewed in 2019 and adopted by Council on the 25 June 2019. The policy was due for review in May 2020. Following the recent ICAC recommendations and the implementation program regarding Council's Policy Review process, the Fees and Charges Policy was scheduled for review as part of the policy review cycle.

The content of the policy was reviewed to ensure it continues to provide an effective decision making framework and ensuring the policy sets clear principles for the setting, waiving or amending of fees and charges.

Current Situation

The policy sets the strategic intention of Council to support and maintain a high level of financial management in accordance with the *Local Government Act 1999* and responds to the provision of Section 188 (Fees and Charges).

This policy articulates the City of Playford strategies to effectively manage the setting, waiving or amending of all fees and charges. The Fees and Charges Policy is supported by new procedures to ensure a consistent approach in accordance with the policy.

To ensure good probity, Council intends to inform and seek input from the Corporate Governance Committee on the proposed Fees and Charges Policy.

Future Action

The Policy document will be updated to include agreed amendments recommended by the Corporate Governance Committee.

The background of the cover is a photograph of a bright sun in a clear blue sky, with a layer of white clouds on the horizon. In the foreground, there are silhouettes of trees and a body of water. A green wavy graphic element separates the landscape from the title. The title "Fees and Charges Policy" is written in a large, white, sans-serif font on a solid green background at the bottom.

Fees and Charges Policy

ECM Document Set No.:	3518842
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Version No.:	2
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Date of Current Version	25 June 2019
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Responsible Team	Finance
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Other Key Internal Stakeholders	Regulatory Services, Roads and Stormwater, Library Services, Customer Care, Libraries and Civic Venues, Community Services, Records Management, Analytics and Information Solutions, Engineering Services, Planning Services, Health and Immunisation, Sport and Property, Asset Operations, Marketing, Communication and the Arts, Parks Verges, Stretton Centre
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Initial Date of Adoption	May 2002
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Last Reviewed	25 June 2019
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Authorised By	Council
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Resolution No.:	3616
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Legal Requirement	<i>Local Government Act 1999</i>
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Date of Next Review	May 2020
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Fees and Charges Policy

This policy is set by Council for use by the community and council administration

1. Purpose

The purpose of this policy is to;

- Establish clear guidelines for the setting, waiving or amending of all fees and charges
- Ensure a consistent and equitable approach to setting of fees and charges as required under relevant legislation
- Ensure a transparent and accountable approach is taken advising the public of the fees and charges
- Recognise the ability of residents, ratepayers and the general public to pay the fees and charges set by Council
- This policy is to be read in conjunction with the Fees and Charges Guidelines.

2. Scope

This Policy and the associated Guideline applies to any employee within the Organisation who is responsible for charging a fee or charge, whether this is internal or external.

3. Legislation and References

- *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*
- Building Upgrade Finance Policy
- Government of South Australia Policy on Competitive Neutrality
- Instrument of Delegation under the *Fines Enforcement and Debt Recovery Act 2017*
- Instrument of Sub-Delegation Register
- *Local Government Act 1999* By-Law Section
- *Local Government (General) Regulations 2013* of the Local Government (Certificate of Liabilities - Fee)
- *South Australia Road Traffic (Miscellaneous) Regulations 2014*
- *South Australia Development Regulations 2008*
- *South Australia Dog and Cat Management Act 1995*
- *South Australia Environment Protection Act 1993*
- *South Australia Expiation of Offences Regulations 2011*
- *South Australia Fire and Emergency Services Act 2005*
- *South Australia Food Act 2001*
- *South Australia Freedom of Information Act 1991*
- *South Australia Land and Business (Sales and Conveyancing Regulations) 2010*
- *South Australia Local Government Act 1999* (as amended)

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- *South Australia Local Nuisance & Litter Control Act 2016*
- *South Australia Public Health (Wastewater) Regulations 2013*
- *South Australia Public Health (Legionella) Regulations 2013*
- *South Australia Road Rules*
- *South Australia Private Parking Areas Act 1986*

4. Definitions

Average Weekly Earnings (AWE) represents the average gross weekly wages for an employee for a 52 week period.

Charge is a recovery of a cost or expense incurred.

Competitive Neutrality is where significant government businesses compete with, or there is potential competition with the private sector.

Consumer Price Index (CPI) is a measure that examines the weighted average prices of consumer goods and services.

Employee a person employed by the Organisation on an ongoing or fixed term full-time or part-time basis, or employed on a casual basis.

Fee is a payment for supply of a requested commodity or article.

Fee Type is a category of fees or charges that fall under a similar category, for example Development Fees.

General Index (GI) is the average of the Consumer Price Index (CPI) and Average Weekly Earnings (AWE) issued by the Australian Bureau of Statistics.

Organisation is the body corporate known as the City of Playford which includes the Employing Authority.

Statutory Fees are fees from regulatory services.

User Pays Principle describes the method Council uses to determine what level of fees and charges should be subsidised by Council.

5. Policy

Section 188(1) of the *Local Government Act 1999* allows Council to impose fees and charges for;

- The use of any property or facility owned, controlled, managed or maintained by Council
- Services supplied at a person's request
- Carrying out work at a person's request
- Providing information or materials, or copies of, or extracts from, Council records
- Any application to Council
- Any authorisation, license or permit granted by Council
- Any matter for which another Act provides that a fee under this Act is to be

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- payable
- Any other prescribed matter

The fees and charges will be reviewed and updated annually at a minimum, however changes can be made at other times during the year if required.

Fees and charges will be set taking into consideration competitive neutrality, the user pays principle and the requirements of any Act or Regulations. Any waiver (in part or in full) of fees and charges must be applied in line with S44(j) and S188 of the *Local Government Act 1999* as well the appropriate delegations in the Delegations register. A decision to waiver must be made in consideration of the desired outcomes of the City of Playford and also taking into consideration the User Pays Principle.

Section 188(6) of the *Local Government Act 1999* requires Council to keep a list of its fees and charges on public display during ordinary office hours at the principal office. Council is also required to take reasonable steps to bring the fee or charge, or the variation of the fee or charge, to the notice of people who may be affected.

GST will be applied where appropriate in the schedule of fees and charges.

6. Responsibilities

Finance are responsible for the annual review of fees and charges. Managers are responsible for notifying Finance of any new or changes to existing fees and charges as they occur.

7. Accessibility

The Fees and Charges Policy, associated Fees and Charges Guidelines and the Fees and Charges Schedule will be available on the City of Playford website as well as on Click.

8. Feedback

We invite your feedback on this policy which can be directed to Senior Manager Finance via playford@playford.sa.gov.au.

9. Approval and Change History

Version	Approval Date	Approval by	Change
1	May 2002	Council	
2	25/06/2019	Council	As per Fees & Charges Summary of Changes – June 2019

**Minor administrative changes made on 04/07/2019*

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Fees and Charges Guidelines

This guideline template can be used to support Council policy or administration policy

ECM Document Set No.:	3518865
Version No.:	1
Date of Current Version	25 June 2019
Responsible Team	Finance
Other Key Internal Stakeholders	Regulatory Services, Roads and Stormwater, Library Services, Customer Care, Libraries and Civic Venues, Community Services, Records Management, Analytics and Information Solutions, Engineering Services, Planning Services, Health and Immunisation, Sport and Property, Asset Operations, Marketing, Communication and the Arts, Parks Verges, Stretton Centre
Initial Date of Adoption	25 June 2019
Last Reviewed	June 2019
Authorised By	Senior Manager Finance
Resolution No.:	Associated Fees and Charges Policy Resolution 3616
Legal Requirement	N/A
Date of Next Review	May 2020

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1. Purpose

The purpose of these Guidelines are to;

- Establish clear guidelines for the setting, waiving or amending of all fees and charges
- Ensure a consistent and equitable approach to setting of fees and charges as required under relevant legislation
- Ensure a transparent and accountable approach is taken advising the public of the fees and charges
- Recognise the ability of residents, ratepayers and the general public to pay the fees and charges set by Council

2. Scope

This Guideline and the associated Policy applies to any employee within the Organisation who is responsible for charging a fee or charge, whether this is internal or external.

3. Legislation and References

- *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*
- Building Upgrade Finance Policy
- Government of South Australia Policy on Competitive Neutrality
- Instrument of Delegation under the *Fines Enforcement and Debt Recovery Act 2017*
- Instrument of Sub-Delegation Register
- *Local Government Act 1999* By-Law Section
- *Local Government (General) Regulations 2013* of the Local Government (Certificate of Liabilities - Fee)
- *South Australia Road Traffic (Miscellaneous) Regulations 2014*
- *South Australia Development Regulations 2008*
- *South Australia Dog and Cat Management Act 1995*
- *South Australia Environment Protection Act 1993*
- *South Australia Expiation of Offences Regulations 2011*
- *South Australia Fire and Emergency Services Act 2005*
- *South Australia Food Act 2001*
- *South Australia Freedom of Information Act 1991*
- *South Australia Land and Business (Sales and Conveyancing Regulations) 2010*
- *South Australia Local Government Act 1999* (as amended)
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- South Australia Road Rules
- *South Australia Private Parking Areas Act 1986*

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4. Definitions

Average Weekly Earnings (AWE) represents the average gross weekly wages for an employee for a 52 week period.

Charge is a recovery of a cost or expense incurred.

Competitive Neutrality is where significant government businesses compete with, or there is potential competition with the private sector.

Consumer Price Index (CPI) is a measure that examines the weighted average prices of consumer goods and services.

Employee a person employed by the Organisation on an ongoing or fixed term full-time or part-time basis, or employed on a casual basis.

Fee is a payment for supply of a requested commodity or article.

Fee Type is a category of fees or charges that fall under a similar category, for example Development Fees.

General Index (GI) is the average of the Consumer Price Index (CPI) and Average Weekly Earnings (AWE) issued by the Australian Bureau of Statistics.

Organisation is the body corporate known as the City of Playford which includes the Employing Authority.

Statutory Fees are fees from regulatory services.

User Pays Principle describes the method Council uses to determine what level of fees and charges should be subsidised by Council.

5. Guidelines

5.1 Fee Types

Section 188 (1) of the *Local Government Act 1999* allows Council to impose fees and charges for the following;

Fee Type	Basis for setting of the Fee	Delegation permitted
The use of any property or facility owned, controlled, managed or maintained by Council (s188(1)(a))	Need not be fixed by reference to cost to Council	Yes
Services supplied to a person's request (s188(1)(b))	Need not be fixed by reference to cost to Council	Yes
Carrying out work at a person's request (s188(1)(c))	Need not be fixed by reference to cost to Council	Yes
Providing information or materials, or copies of, or extracts from, Council records (s188(1)(d))	Must not exceed a reasonable estimate of direct costs to the Council in providing information, materials, copies or extracts	No*
Any application to Council (s188(1)(e))		No*
Any authorisation, license or permit granted by Council (s188(1)(f))		No*
Any matter for which another Act provides that a fee under this Act is to be payable (s188(1)(g))	Clause (4) stipulates that Council cannot set fees and charges when set by another Act or when an Act specifies that no fee or charge can be set.	No*
Any other prescribed matter (s188(1)(h))		No*

*The *Local Government Act 1999* s44(j) states that Council cannot delegate the power to fix, vary or revoke a fee that is set under Sections 188(1)(d) to (h).

5.2 Annual Review of Fees and Charges

Fees and charges are required to be endorsed at least annually by Council prior to the 1st of July each year. Fees and charges can be amended, added or revoked at any time during the year by Council.

Fees and charges will be reviewed by the responsible manager of the service in conjunction with Finance, taking into consideration factors including;

- User pays principle where total operating costs and the end user can be identified
- The total operating cost of providing the goods and/or service
- Prices fixed by other relevant industry bodies and organisations
- Requirements specified in the *Local Government Act 1999*
- Fees and Charges set by Government Regulations and Acts other than the *Local Government Act 1999*
- Councils financial and customer service objectives including
 - the extent to which the community benefits from the goods and/or services and the extent to which they will be subsidised

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- the extent to which the person benefiting from the goods and/or service will be asked to contribute either fully or in part to the cost of its provision
- whether there is a community obligation to provide the goods and/or service
- Competitive Neutrality
- Market conditions and prices
- The impact of GST
- General Index Increase

Any statutory fees or charges covered by a separate Act or Regulation will be updated when released by the appropriate government body.

Once the Council has endorsed the fees and charges for the financial year, the associated systems and or external bodies (such as Dogs and Cats Online) will need to be updated in order to charge the appropriate fees from 1st July each year.

Section 188(6) of the *Local Government Act 1999* requires Council to keep a list of its fees and charges on public display during ordinary office hours at the principal office. Council is also required to take reasonable steps to bring the fee or charge, or the variation of the fee or charge, to the notice of people who may be affected. To satisfy these provisions of the *Local Government Act 1999* the complete fees and charges schedule, once approved, will be placed on the Council website and will also be available at Council's customer service counters.

5.3 User Charge Recovery Range (User Pays Principle)

The user pays principle uses the following criteria to determine at what level the fee or charge should be and the subsidy to be provided. Council may choose to recover only the part or full cost incurred in providing the goods or services in recognition of the community's interest in having those goods or services subsidised to enable access by most of the community. The methods range from zero cost recovery to more than 100% cost recovery (profit):-

User Charge Recovery Range	User Pays Principle
<25%	(a) Goods/Services are provided at no or little cost. Costs are entirely subsidised from operating revenue (b) Benefits accrue to the community as a whole as well as individual users (c) Costs to collect fees outweigh revenue received (d) Targeted to low income earners
<50%	(a) Price of goods/services is set to make a small (less than 50%) contribution towards total operating costs. The remainder of costs are subsidised from operating revenue (b) Benefits accrue to the community as a whole as well as individual users
<75%	(a) Price of goods/services is set to make a small (less than 75%) contribution towards total operating costs. The remainder of costs are subsidised from operating revenue (b) Benefits accrue to the community as a whole as well as individual users
<100%	(a) Price of goods/services is set to recover up to 100% of operating costs (b) Benefits particular users, making a contribution to their individual income, welfare or profits or a private benefit being provided without any broader benefits to the community (c) Council has a monopoly (eg planning assessment, dog and parking control, libraries and rate collection) over the provision of the service and there are no community service or equity obligations
100%>	(a) Price of goods/services is set to recover more than 100% of total operating costs

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	<ul style="list-style-type: none"> (b) The service provided is in competition with that provided by another Council or agency (private or public) and there is pressure to set a price which will attract adequate usage of the service (c) The service is a profit making activity and the price paid by users should recover an amount greater than the full cost of providing the services (d) Council has a monopoly over the provision of the service and there are no community service or equity obligations
(S) Statutory Cost recovery per Legislation	<ul style="list-style-type: none"> (a) Price of goods/services is a regulatory or statutory charge set by government legislation (b) Council has no discretion to determine the amount of the fee for a service when the amount is fixed by regulation or by another authority however, total operating costs will be established to monitor the charge set

5.4 User Charges – Council Buildings

Council owned buildings that are available for lease have an attributed commercial rate value (GST inclusive) that is based on a square meterage rates that incorporates the asset valuation as well as the service, quality and functionality of the building. This stays fixed until the next valuation, usually a period of 5 years. The base community rate is 50% of the commercial rate value.

Sporting Clubs and Community Groups that meet the ATO definition as not for profit and are incorporated (or operating under the auspice of an incorporated body) are eligible for Councils community infrastructure licence pricing model. This pricing model allows the licensee a discount of up to 95% of the base community rate.

5.5 Waiving of Fee and Charges

Under s44(j) of the *Local Government Act 1999*, Council cannot delegate the power to fix, vary or revoke a fee under s188(1)(d) to (h).

For fees and/or charges set under s188(1)(a)-(c), the *Local Government Act 1999* (s188(3)(f)) states that Council may provide for a reduction, waiver or refund, in whole or in part, of fees or charges. For fees and charges not set under s188 of the *Local Government Act 1999*, the Legislation or Regulations that are relevant may allow for fees and charges to be waived, reduced or withdrawn.

Any waiver (in part or in full) of fees and charges must be applied per the appropriate delegations in the Delegations Register. A decision to waiver (in full or in part) must be made in consideration of the desired outcomes of City of Playford and the factors discussed in section 5.2 of these Guidelines.

5.6 Goods and Services Tax (GST)

From 1st July 2000 a goods and service tax (GST) applies to a number of goods and/or services supplied by Council. Those goods and/or services that are subject to GST have been identified in the schedule of fees and charges. In accordance with the tax legislation the final prices shown for those goods and/or services are the GST inclusive price.

Some goods and/or services supplied by Council have been declared "GST free" or are excluded under Division 81 of the legislation. Those goods and/or services excluded from GST are indicated in the schedule of fees and charges.

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Where necessary rounding has been implemented for ease of implementation and administration.

5.7 General Index (GI)

The General Index is the average of the Consumer Price Index (CPI) and Average Weekly Earnings (AWE) issued by the Australian Bureau of Statistics. CPI is the increase in the cost of materials whereas AWE is the increase in the cost of labour. Fees and charges are generally oncharging costs relating to both time and materials therefore using the General Index is the best reflection of the increase in providing goods and services to the Community.

5.8 Competitive Neutrality

The SA Government Policy (The Policy) on Competitive Neutrality states that Competitive Neutrality ensures that government businesses should not enjoy any net competitive advantages over private businesses operating in the same market simply as a result of their public sector ownership.

Competitive Neutrality applies to two categories of business activities (s5.2 of the Policy)

- Category 1 – revenue greater than \$2 million and assets more than \$20 million
- Category 2 – all other significant business activities
 - It possesses market power to create a competitive impact in the market that is more than nominal or trivial *and*
 - Its size relative to the size of the market as a whole is more than nominal or trivial

To be considered a business activity s5.1 of The Policy provides that

- (a) The activity falls within the Australian Bureau of Statistics classification of “Public Trading Enterprise” and “Public Financial Enterprise” *or*
- (b) Where
 - a. The activity is primarily involved in producing goods or services for sale in the market *and*
 - b. The activity has a commercial or profit making focus *and*
 - c. There is user charging for goods and/or services *or*
- (c) Where a Government agency submits a tender as part of a tendering process in competition with the private sector

An activity is not a business activity if;

- (a) It provides goods or services to government, and, for reasons of policy or law, there is no competition with alternate suppliers *or*
- (b) It is clear that the intention of government is that the activitys predominant role is regulatory or policy-making, or where the achievement of public policy outcomes is the main priority of the activity

Competitive Neutrality can be achieved by the City of Playford through cost reflective pricing. Section 3.3 of the Policy sets out a two stage process to achieve this:

- Calculation of the competitively neutral cost accounting or various cost advantages and disadvantages arising from government ownership, to determine the net competitive advantage

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- From that cost basis, determine appropriate market price, which must be equal to the competitively neutral cost

6. Responsibilities

Finance are responsible for the annual review of Fees and Charges. Managers are responsible for notifying Finance of any new or changes to existing fees and charges as they occur.

7. Accessibility

The Fees and Charges Policy, associated Fees and Charges Guidelines and the Fees and Charges Schedule will be available on the City of Playford website as well as on Click.

8. Approval and Change History

Version	Approval Date	Approval by	Change
1	25 June 2019	Council	New Guidelines

**Minor administrative changes made on 04/07/2019*

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Fees and Charges Policy

Policy Author	General Manager – Strategy and Corporate
Date of next review	May 2024

1. Statement of Intent

The purpose of this policy is to:

- Establish clear guidance for the setting, waiving or amending of all fees and charges
- Ensure a consistent standard and equitable approach to setting of fees and charges
- Recognise the ability of the Community to pay the fees and charges set by Council.

This policy articulates an overarching set of principles that determine how fees and charges are administered.

1.1 Fees and Charges

Section 188 of the *Local Government Act 1999* empowers Council to impose fees and charges.

This Policy outlines the principles and methodology of how fees and charges are set.

The key principles outlined in this Policy take into consideration:

- competitive neutrality,
- the user pays principle and
- the requirements of any Act or Regulations.

These principles will be applied consistently across the organisation to enhance accountability and provide transparency in the setting, waiving or amending of all fees and charges.

GST will be applied where appropriate in the schedule of fees and charges.

1.4 Waiving or Reducing Fees and Charges

The Council may waive or refund the whole, or any part of any fee or charge if it is satisfied that there are exceptional circumstances that justify such a waiver or refund.

Any waiver (in part or in full) of fees and charges must be applied:

- in line with the *Local Government Act 1999* and
- In accordance with the appropriate delegations in the Delegations register and
- in consideration of the desired outcomes of the Council and
- taking into consideration the user pays principle as outlined in the associated procedures.

2. Scope

This Policy and the associated Fees and Charges Procedure apply to all workers with delegated authority within the Organisation who are responsible for setting, waiving or amending a fee or charge. This applies to all functions delegated or sub-delegated in accordance with the delegations register

This Policy applies to all Fees and Charges listed on Council's Fees and Charges Schedule over which Council's empowered to impose under Section 188 of the *Local Government Act 1999*.

3. Legislation and References

- This Fees and Charges Policy should be read in conjunction with the Fees and Charges Procedure
- Hardship Policy
- Food Inspection Fee Policy
- City of Playford Global Glossary
- Delegations and Sub-Delegation Registers
- Government of South Australia Policy on Competitive Neutrality
- Local Government Act 1999
 - S44 - Delegations
 - S188 - Fees and charges
 - Chapt 12, Part 1 - By-Laws
- Local Government (General) Regulations 2013
 - S19 - Certificates of liabilities—fee
 - S20 - Fees and charges
- A New Tax System (Goods and Services Tax) Act 1999 (Cth)
- Fines Enforcement and Debt Recovery Act 2017
 - S5 – Delegations
- South Australia Road Traffic (Miscellaneous) Regulations 2014
 - Part 7
- South Australia Development Regulations 2008
 - S96 – Fees
- South Australia Dog and Cat Management Act 1995
 - S41 – Applications and Fees
- South Australia Environment Protection Act 1993
 - Part 6, Division 4 & Part 6A
- South Australia Expiation of Offences Regulations 2011
 - S5 & S6
- South Australia Fire and Emergency Services Act 2005
 - S143 – Fees
- South Australia Food Act 2001
 - Part 2
- South Australia Freedom of Information Act 1991
 - S53 – Fees and Charges
- South Australia Land and Business (Sales and Conveyancing Regulations) 2010
 - Part 3
- South Australia Local Nuisance & Litter Control Act 2016
 - Part 4
- South Australia Public Health (Wastewater) Regulations 2013
 - Part 2 & Part 3

- South Australia Public Health (Legionella) Regulations 2013
 - S21 – Fees relating to high risk manufactured water systems
- South Australia Road Rules
 - Division 7
- South Australia Private Parking Areas Act 1986
 - S6 – Offences

This Policy should not be considered as the only document that may relate to fees and charges, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	Annual consider schedule of Fees and Charges for approval
Chief Executive Officer	Ensure accurate and accessible information is available regarding all fees and charges
Managers	Responsible for notifying Finance of any new or changes to existing fees and charges as they occur
Finance	Responsible for assisting Managers with the calculation and review of fees and charges

5. Relevance to Risk Appetite Statement

Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts the Council's income. The Fees and Charges Policy enables charges to be correctly set, applied and updated.

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation. The Policy enables the council to apply a consistent and transparent approach to the setting and application of Fees and Charges.

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation including the legislation listed within this policy

6. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3978125
Version no.	3
Procedure link	<i>Fees and Charges Procedure</i>
Policy author	<i>General Manager – Corporate and Strategy</i>

Endorsed by	<i>Council</i>
Resolution no.	<i>TBC</i>
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	<i>Annually</i>
Date of current version	March 2021
Date of next review	March 2022

Version history

Version no.	Approval date	Approval by	Change
1	May 2002	Council	New
2	June 2019	Council	As per Fees & Charges Summary of Changes – June 2019
3	March 2021	Council	Updated in new template. Policy and procedure content separated into two separate documents.



Fees and Charges Procedure

Policy Author	General Manager – Strategy & Corporate
Date of next review	May 2024

1. Purpose

This procedure explains how Council determines and administers fees and charges and outlines the fees and charges applied to Council.

The Local Government Act 1999 allows Council to impose fees and charges for:

- The use of any property or facility owned, controlled, managed or maintained by Council
- Services supplied at a person's request
- Carrying out work at a person's request
- Providing information or materials, or copies of, or extracts from, Council records
- Any application to Council
- Any authorisation, license or permit granted by Council
- Any matter for which another Act provides that a fee under this Act is to be payable
- Any other prescribed matter.

Fees and charges will be reviewed and updated annually at a minimum, however changes can be made at other times during the year if required.

Any waiver (in part or in full) of fees and charges must be applied in line with S44(j) and S188 of the Local Government Act 1999 as well the appropriate delegations in the Delegations register. A decision to waive a fee or charge must be made in consideration of the desired outcomes of the City of Playford and also taking into consideration the user pays principle.

The Local Government Act 1999 requires Council to keep a schedule of its fees and charges on public display during ordinary office hours at the principal office. Council is also required to take reasonable steps to bring the fee or charge, or the variation of the fee or charge, to the notice of people who may be affected.

GST will be applied where appropriate in the schedule of fees and charges.

2. References and Supporting Documentation

This Fees and Charges Procedure should be read in conjunction with the Fees and Charges Policy

- *A New Tax System (Goods and Services Tax) Act 1999 (Commonwealth)*
- *Local Government Act 1999*
 - S44 - Delegations
 - S188 - Fees and charges
 - Chapter 12, Part 1 - By-Laws

- *Local Government (General) Regulations 2013*
 - S19 - Certificates of liabilities—fee
 - S20 - Fees and charges
- Government of South Australia Policy on Competitive Neutrality
- City of Playford Global Glossary
- City of Playford Delegations and Sub-Delegation Registers

3. Application

Council	Annually, consider Fees and Charges schedule for approval
Chief Executive Officer	Ensure accurate and accessible information is available regarding all fees and charges
General Managers	Responsible for approving the appropriate pricing methodology as set out below, to be used to set discretionary fees and charges in their business unit.
Managers	Responsible for notifying Finance of any new or changes to existing fees and charges as they occur.
Finance	Responsible for assisting Managers with the calculation and review of fees and charges.

4. Procedure

4.1 Legislative Requirements

Section 188 (1) of the *Local Government Act 1999* allows Council to impose fees and charges for the following;

Fee Type	Basis for setting of the Fee	Delegation permitted
The use of any property or facility owned, controlled, managed or maintained by Council (s188(1)(a))	Need not be fixed by reference to the cost to Council	Yes
Services supplied to a person's request (s188(1)(b))	Need not be fixed by reference to the cost to Council	Yes
Carrying out work at a person's request (s188(1)(c))	Need not be fixed by reference to the cost to Council	Yes
Providing information or materials, or copies of, or extracts from, Council records (s188(1)(d))	Must not exceed a reasonable estimate of direct costs to the Council in providing information, materials, copies or extracts	No*
Any application to Council (s188(1)(e))		No*
Any authorisation, license or permit granted by Council (s188(1)(f))		No*
Any matter for which another Act provides that a fee under this Act is to be payable (s188(1)(g))	Clause (4) stipulates that Council cannot set fees and charges when set by another Act or when an Act specifies that no fee or charge can be set.	No*
Any other prescribed matter (s188(1)(h))		No*

*The *Local Government Act 1999* s44(j) states that Council cannot delegate the power to fix, vary or revoke a fee that is set under Sections 188(1)(d) to (h). Fees and charges set under Section

188(1)(d) must not exceed a reasonable estimate of the direct cost to the Council in providing the information.

The provisions of Section 188 of the Act, also state a council may provide for:

- specific fees and charges;
- maximum fees and charges and minimum fees and charges;
- annual fees and charges;
- the imposition of fees or charges according to specified conditions or circumstances;
- the variation of fees or charges according to specified factors;
- the reduction, waiver or refund, in whole or in part, of fees and charges.

4.2 Categories

Fees and Charges are categorised into two (2) key components:

Statutory Fees and Charges are those that are set and regulated under the provisions of the legislation to Council business. These fees are non-discretionary and must align with the relevant statute or current Ministerial advice. They are not included in the Schedule of Fees and Charges but may be found in the respective legislation.

Discretionary Fees and Charges are not regulated by legislative statute and are at Council's discretion to determine. These are listed in the Schedule of Fees and Charges.

4.3 Pricing Principles

In determining Discretionary Fees and Charges, the following factors are to be taken into account:

- the cost of providing the goods or service
- the collective users' ability to pay for the service.
- the demand for the goods or service by the community.
- comparative market pricing with other like enterprises performing similar services, including Competitive Neutrality principles if they are relevant to the good or service being provided.
- the environmental and social benefit of the goods or services provided.

4.4 Pricing Methodology

The following methodology will be adopted when determining fees and charges:

- the principle consideration when determining a fee or charge is the cost of providing the goods or service. This determination will only apply when the cost of service provision and the ability of users to pay for that service can be accurately established.
- if neither of these factors can be accurately and efficiently established, the following methodologies are to be used to determine a suitable price level for goods or services provided for approval by the appropriate General Manager.
- the General Manager is responsible for approving the appropriate pricing methodology as set out below, to be used to set discretionary fees and charges within their business unit.
- where none of these methodologies are considered appropriate, then Council approval is to be sought in regard to a different methodology for setting that specific fee or charge.
- the table below assists the determination process in which a fee or charge is set in each case, according to the seven methodologies outlined.

	PRICING METHODOLOGY	GUIDELINES
1	Full Cost Recovery	(a) the service benefits particular users, making a contribution to their individual income, welfare or profits or a private benefit being provided without any broader benefits to the community and; (b) Council has a monopoly over the provision of the service and there are no community service or equity obligations. The fee or charge is calculated on the full recovery of annual and maintenance costs, on-costs and overheads and debt servicing, if applicable.
2	Partial Cost Recovery	(a) the benefits from provision of the service accrue to the community as a whole, groups within the community or to individual users; (b) charging prices to recover full cost may result in widespread hardship or evasion; (c) the service targets low income users or a differential service fee is charged according to the classification of users to maximise access to the service and/or; (d) the service promotes or encourages local economic activity.
3	Comparative	(a) the service provided is in competition with that provided by another Council or agency (private or public) and there is pressure to set a price which will attract adequate usage of the service and/or; (b) the service is a profit-making activity and the price paid by users should recover an amount greater than the full cost of providing that service.
4	Statutory	(a) the service is a regulatory or statutory service and the fee is determined by Council in accordance with a pricing principle prescribed in regulations (e.g. a maximum price). (b) the amount of the fees is prescribed in regulations, legislation or Council By-Laws. Council has no discretion to determine the amount of the fee for a service when the amount is fixed by regulation or by another authority.
5	Demand Management	The fee or charge is determined at a level greater than the direct cost of the service to provide a disincentive for use, or to recognise indirect costs associated with the provision of the service.
6	No Charge	The service is provided at No Charge or has been specifically excluded from any cost recovery.
7	Security Deposit	Refundable deposit against possible loss or damage to Council property

4.5 Annual Review of Fees and Charges

Fees and charges are required to be endorsed at least annually by Council prior to the 1st of July each year. Fees and charges can be amended, added or revoked at any time during the year by Council.

Fees and charges will be reviewed by the responsible manager of the service in conjunction with Finance, taking into consideration the following factors in determining the appropriate price for each fee including;

- User pays principle where total operating costs and the end user can be identified
- The total operating cost of providing the goods and/or service
- Prices fixed by other relevant industry bodies and organisations
- Requirements of the *Local Government Act 1999*
- Fees and Charges set by Government Regulations and Acts other than the *Local Government Act 1999*

- Council's financial and customer service objectives including:
 - the extent to which the community benefits from the goods and/or services and the extent to which they will be subsidised
 - the extent to which the person benefiting from the goods and/or service will be asked to contribute either fully or in part to the cost of its provision
 - whether there is a community obligation to provide the goods and/or service
- Competitive Neutrality
- Market conditions and prices
- The application of GST
- General Index or other index approved by the Council

Any statutory fees or charges covered by a separate Act or Regulation will be updated when released by the appropriate government body.

4.6 New or Varied Fees and Charges

- Under the provisions of the Act, Council is to take reasonable steps to bring all fees and charges, or the variation of a fee or charge, to the notice of persons who may be affected.
- A new fee, or the methodology for setting a fee, may be approved by Council outside of the normal annual fees and charges review cycle.
- Once approved these additions or variations should be added to the Fees and Charges Schedule for the attention of users.
- Council may also approve the variation of a current fee, or the methodology underpinning the fee, if it sees fit.
- Once approved by Council, the Fees and Charges Schedule should be amended to reflect any variation.
- The Fees and Charges Schedule will be placed on the Council website and will also be available at Council's customer service counters.
- Associated systems and or external bodies (such as Dogs and Cats Online) will need to be updated in order to charge the appropriate fees from 1st July each year.

4.7 User Charges – Council Buildings

Council owned buildings that are available for lease have an attributed commercial rate value (GST inclusive) that is based on a square meterage rates that incorporates the asset valuation as well as the service, quality and functionality of the building. This stays fixed until the next valuation, usually a period of 5 years.

The base community rate for use of such buildings is 50% of the commercial rate value.

Sporting Clubs and Community Groups that meet the ATO definition as not for profit and are incorporated (or operating under the auspice of an incorporated body) are eligible for Council's community infrastructure licence pricing model. This pricing model allows the licensee a discount of up to 95% of the base community rate.

4.8 Discount Fees and Charges

Waste Collection Fees and charges may be discounted in the following instances:

- (a) Charity and Not for-profit organisations:
 - Registered charities and incorporated not for profit organisations may apply for a 25% discount on the first additional bin and collection of each type (red, yellow or green lidded).
 - Any further bin collections are charged at the standard price.

(b) Medical conditions:

Eligible residents may apply for a 25% discount on the first additional red lidded bin and collection, to assist with the removal of additional items due to a medical condition. Any further bin collections are charged at the standard price. Discounts based on medical conditions must be applied for annually.

4.9 Waiving of Fees and Charges

Under the *Local Government Act 1999*, Council cannot delegate the power to fix, vary or revoke a fee under s188 (1)(d) to (h).

For fees and/or charges set under s188 (1)(a)-(c), the *Local Government Act 1999* (s188(3)(f)) states that Council may provide for a reduction, waiver or refund, in whole or in part, of fees or charges. For fees and charges not set under s188 of the *Local Government Act 1999*, the Legislation or Regulations that are relevant may allow for fees and charges to be waived, reduced or withdrawn.

Any waiver (in part or in full) of fees and charges must be applied per the appropriate legislation or regulations and delegations in the Delegations Register. A decision to waiver (in full or in part) must be made in consideration of the desired outcomes of City of Playford and the principles discussed in section 4.3 of this Procedure.

4.10 Goods and Services Tax (GST)

Goods and service tax (GST) applies to a number of goods and/or services supplied by Council. Those goods and/or services that are subject to GST have been identified in the schedule of fees and charges. In accordance with the tax legislation the final prices shown for those goods and/or services are the GST inclusive price.

Some goods and/or services supplied by Council have been declared "GST free" or are excluded under the legislation. Those goods and/or services excluded from GST are indicated in the schedule of fees and charges.

4.11 Cost Increases

Fees and charges often reflect the on charging of costs relating to both time and materials. Council may elect to increase fees and charges to adequately cover inflationary costs associated with the delivery of goods and services to the Community.

4.12 Competitive Neutrality

The South Australian Government Policy on Competitive Neutrality (The Policy) states that Competitive Neutrality ensures that government businesses should not enjoy any net competitive advantages over private businesses operating in the same market simply as a result of their public sector ownership.

Competitive Neutrality applies to two categories of business activities (s5.2 of The Policy)

- Category 1 – revenue greater than \$2 million and assets more than \$20 million
- Category 2 – all other significant business activities, where:
 - It possesses market power to create a competitive impact in the market that is more than nominal or trivial *and*
 - Its size relative to the size of the market as a whole is more than nominal or trivial

To be considered a business activity s5.1 of The Policy provides that:

- (c) The activity falls within the Australian Bureau of Statistics classification of “Public Trading Enterprise” and “Public Financial Enterprise” *or*
- (d) Where:
 - a. The activity is primarily involved in producing goods or services for sale in the market *and*
 - b. The activity has a commercial or profit making focus *and*
 - c. There is user charging for goods and/or services *or*
- (e) Where a Government agency submits a tender as part of a tendering process in competition with the private sector

An activity is not a business activity if:

- (a) It provides goods or services to government, and, for reasons of policy or law, there is no competition with alternate suppliers *or*
- (b) It is clear that the intention of government is that the activity’s predominant role is regulatory or policy-making, or where the achievement of public policy outcomes is the main priority of the activity

Competitive Neutrality can be achieved by Council through cost reflective pricing. Section 5.3 of The Policy sets out a two stage process to achieve this:

- Calculation of the competitively neutral cost accounting or various cost advantages and disadvantages arising from government ownership, to determine the net competitive advantage
- From that cost basis, determine appropriate market price, which must be equal to the competitively neutral cost

Administration use only

ECM document set no.	3978188
Version no.	1
Policy link	<i>Fees and Charges Policy</i>
Procedure author	<i>General Manager – Corporate and Strategy</i>
Endorsed by	<i>Council</i>
Resolution no.	
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	<i>4 years</i>
Date of current version	March 2021
Date of next review	March 2025

Version history

Version no.	Approval date	Approval by	Change
1	March 2021	Council	New document. Procedure content moved out of policy into the new procedure document.

5.5 PRUDENTIAL MANAGEMENT POLICY REVIEW

Responsible Executive Manager : Mr Barry Porter

Report Author : Ms Joy O'Keefe-Craig

Delegated Authority : Matters for Information.

Attachments :

- 1 [↓](#). Current Prudential Management Policy
- 2 [↓](#). Proposed Prudential Management Policy
- 3 [↓](#). Proposed Prudential Management Procedure

Purpose

The purpose of this report is to seek feedback from the Corporate Governance Committee on the proposed Prudential Management Policy and Procedure.

STAFF RECOMMENDATION

That the Corporate Governance Committee notes the proposed Prudential Management Policy and Procedure and provides the following feedback:

1. _____
2. _____
3. _____

Relevance to Strategic Plan

Community Theme 5 - Using money wisely

Policy documents that guide decision making of Council and Administration are essential to communicate clearly to the community the manner in which decisions are made. Council strives to ensure that it is accountable by ensuring that prudential management is managed in accordance with the *Local Government Act 1999*.

The Prudential Policy aims to ensure that major Council projects are undertaken only after Due Diligence is applied to the proposed project. To ensure the Long Term Financial Plan outcomes are maintained, sound financial management for major investments will be treated in line with the Prudential Management Policy to ensure transparency and accountability in relation to financial management.

Relevance to Public Consultation Policy

There is no requirement for community consultation regarding the review of this policy. Once endorsed, the updated Policy will be made available on Council's website.

Background

The Prudential Management Policy was last reviewed in 2012 and approved by Council on the 22 May 2012. The policy was due for review in May 2015. Following the recent ICAC recommendations and the implementation program regarding Council's Policy Review Process, the Prudential Management Policy was reviewed as part of the scheduled policy review cycle.

Council's Prudential Management Policy provides guidance for Council in meeting legislative obligations under Section 48(aa1) of the *Local Government Act 1999* (the Act) which requires each Council to have a prudential management policies, practices and procedures.


Current Situation

The Prudential Management Policy sets the strategic intention of Council to support effective prudential management and seeks to outline Council's approach towards prudential management and to meet the requirements of the Act. It imposes a standard of governance that encompasses effective prudential management and proper consideration of the impact of decisions for major projects.

The policy ensures that Council acts with due care, diligence and foresight to make informed decisions and is accountable for the use of public resources.

Future Action

The Policy document will be updated to include agreed amendments recommended by the Corporate Governance Committee.

	CITY OF PLAYFORD Policy: Prudential Management
APPROVING BODY:	FULL COUNCIL (Resolution no. 757)
ADOPTED DATE:	22 MAY 2012
NEXT REVIEW DATE:	MAY 2015
POLICY EDITOR:	CORPORATE SERVICES 1
POLICY SPONSOR:	CORPORATE GOVERNANCE COMMITTEE
RISK CATEGORY:	GOVERNANCE, RISK MANAGEMENT

POLICY STATEMENT

The City of Playford undertakes Prudential Management for major capital projects to ensure that it acts with due care, diligence and foresight, identifies and manages risk associated with projects, makes informed decisions and is accountable for the use of public resources. Prudential Management commences prior to making a decision to proceed with a major project and continues on throughout the life of the project.

.....
 Chief Executive Officer – Tim Jackson

.....
 Date

and

.....
 Chairperson – –

.....
 Date

or

Minute details if approved by Full Council

INTRODUCTION

All projects have varying levels of risk associated with them depending on their size, complexity, associated capital expenditure, source of funding, interdependencies with other projects, impact on long term financial plan, strategic plan objectives, requirement for organisational change, impact upon the community and so on.

Council recognises that due diligence and effective project management is necessary for all projects, regardless of size, however it is neither practical nor efficient for all projects to be subject to prudential management reporting requirements. This Prudential Management Policy and its associated guidelines apply to *major projects*.

Council will adopt, monitor and review an internal project management framework with associated standards and processes for project management to ensure that all projects (including those that are not major by definition) are managed effectively, undertaken with care, diligence and foresight, identifies and manages risk and is accountable for the use of Council resources.

DEFINITIONS

Project: A temporary endeavour undertaken to create a unique asset, service or result, involving the deployment of human and financial resources for a specified period of time.

Process: A process is an activity which happens continually, that is, they are always happening or being made to happen.

Major Project: A major project is a project (as above) which meets one or more of the following criteria:

- The expected capital cost of the project over the ensuing five years is likely to exceed \$4 million (indexed); or
- The expected expenditure of the project over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five years (as shown in council's financial statements); or
- The risk profile of the project is high or extreme, as determined by Council Staff under the Risk Management Framework; or

POLICY OBJECTIVE

The Objectives of this Policy are to ensure that:

- Council is meeting its obligations under Section 48 (Prudential Management) of the Local Government Act.
- Major projects are undertaken only after a thorough analysis of the need for the project, risks and opportunities.
- Council is adopting best practice prudential management.

RESPONSIBILITY

Project Manager:

- To ensure that the objectives of this Policy are considered during the initial stages of any project.
- To ensure prudential management is undertaken in accordance with this policy for the projects they are responsible for.

Executive:

- Ensure that prudential management, including reporting, is undertaken by an independent and suitably qualified person.
- To ensure that prudential management for all major projects is undertaken in accordance with this policy

LEGISLATION

48—Prudential requirements for certain activities

(aa1) A council must develop and maintain prudential management policies, practices and procedures for the assessment of projects to ensure that the council—

- (a) acts with due care, diligence and foresight; and
- (b) identifies and manages risks associated with a project; and
- (c) makes informed decisions; and
- (d) is accountable for the use of council and other public resources.

(a1) The prudential management policies, practices and procedures developed by the council for the purposes of subsection (aa1) must be consistent with any regulations made for the purposes of this section.

(1) Without limiting subsection (aa1), a council must obtain and consider a report that addresses the prudential issues set out in subsection (2) before the council—

- (b) engages in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body)—
 - (i) where the expected expenditure of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or
 - (ii) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or
 - (iii) where the council considers that it is necessary or appropriate.

HOW THIS POLICY APPLIES THE LEGISLATION

To satisfy Section 48 (aa1) of the Legislation Council will adopt, monitor and review an internal project management framework including standards and processes for project management to ensure that all projects are managed effectively, undertaken with care, diligence and foresight, identifies and manages risk and is accountable for the use of Council resources.

In relation to section 48 (1) (iii) Council's policy position is that it is appropriate and necessary for a prudential report to also be considered by Council when:

- The risk profile of the project is high or extreme, as determined by Council staff under the Risk Management Framework.

THE CONTENT OF THE PRUDENTIAL REPORT

In accordance with section 48 of the Act, the report obtained by the Council will address:

- a) the relationship between the project and relevant strategic management plans;*
- b) the objectives of the Development Plan in the area where the project is to occur;*
- c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in away that ensures fair competition in the market place;*
- d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;*
- e) if the project is intended to produce revenue, revenue projections and potential financial risks;*
- f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;*
- g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;*
- h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);*
- i) the most appropriate mechanisms or arrangements for carrying out the project.*

The report will also contain information on:

- The reliability of calculated revenues or costs;
- Any assumptions made;
- A sensitivity analyses on a best case, worst case and most likely outcome assuming the parameters used;
- The impact on the Council's long term financial position; and
- The proposed frequency of ongoing prudential reporting to Council through the life of the project.

WHO CAN & SHOULD PREPARE THE SECTION 48 REPORT?

Section 48(4) of the Act provides that

- (4) A report under subsection (1) must be prepared by a person whom the council reasonably believes to be qualified to address the prudential issues set out in subsection (2).*

To obtain a section 48 prudential report, the Chief Executive Officer will therefore will appoint a suitable qualified independent person who will be skilled in the assessment of the proposed project. This may include engineering, finance, infrastructure, and project management skills. The person appointed may be a member of staff.

The Council's external auditor cannot be engaged to provide a section 48 report. Legislation provides¹ that a Council's statutory auditor cannot undertake activities outside the scope of the auditor's functions under the [Local Government Act 1999](#) to avoid compromising the auditor's independence of the auditor's statutory responsibilities. However, the Council may engage a different auditor, or other suitably qualified person to prepare such a report, if that person is considered to be skilled in the assessment of the proposed project.

CONSIDERATION OF THE REPORT

Council cannot delegate the consideration of the report. The report will not be read in isolation and will be considered together with the Council's asset management plan, long-term financial plan, and risk management plan.

Subject to restrictions to protect commercial confidentiality, or other people's financial affairs, the report will become a public document after the Council has made a decision on the project (or earlier at the Council's discretion).²

ASSETS TO BE RECEIVED FREE OF CHARGE

Assets, including roads, land, and buildings can be received by Council for no consideration. This would have the effect of increasing the asset stock of the council and the consequent asset management costs.

Accepting any asset will affect asset management costs in the future. On the other side of the balance sheet, there may be additional rate revenue generated from a new asset.

Where appropriate, depending on the level of risk, Council staff may treat an asset being received free of charge as a *major project* under the Prudential Management Policy, making it subject to full Prudential Reporting.

SUMMARY

Prudential management, like risk management, is an important element of good governance in local government. Local Government is a large manager of community assets and community projects. The manner in which these are proposed, considered, executed and managed is a reflection of the Council's good governance.

This policy imposes a standard of governance that encompasses effective prudential management, and proper consideration of the impact of decisions, well before the project is offered to Council for decision.

¹ [Local Government \(Financial Management\) Regulations 2011](#) – regulation 22 (1)

² [Local Government Act 1999](#) s48(5) and (6)

GUIDELINES

Prudential Management Guidelines.

REVIEW AND EVALUATION

The Prudential Management Policy will be reviewed May 2015.

PUBLIC ACCESS TO THE POLICY

The Prudential Management Policy is available upon request to Council's Customer Service Centres or on the City of Playford's website www.playford.sa.gov.au

FURTHER INFORMATION

For further information about this Policy please contact:

Manager, Corporate Services
12 Bishopstone Road, Davoren Park SA 5113.
Telephone: 8256 0333, Fax: 8256 0578



Prudential Management Policy

Policy Author	General Manager – Strategy and Corporate
Date of next review	May 2024

1. Statement of Intent

The objective of this policy is to ensure that Council complies with obligations under the *Local Government Act 1999*, including section 48 of the Act, which requires council to develop and maintain policies, practices and procedures for the assessment of projects to ensure Council;

- acts with due care diligence and foresight
- identifies and manages risks associated with a project
- makes informed decisions and
- is accountable for the use of Council and other public resources

Council will adopt, an internal project management framework with associated standards and processes to ensure that all projects (including those that are not major by definition) are managed effectively, monitored and reviewed in accordance with the framework and this policy.

In relation to section 48 (1)(iii), Council is committed to a pro-active risk management approach in accordance with its Risk Management Policy when undertaking projects. Prudential Management requirements are incorporated into Council's risk management processes. Council's policy position is that a prudential report will be considered by Council when the risk profile of the project is high or extreme, as determined by Council staff under the Risk Management Framework.

2. Scope

Council recognises that due diligence and effective project management are necessary for all projects, regardless of size, however it is neither practical nor efficient for all projects to be subject to prudential management reporting requirements. This Prudential Management Policy and its associated procedures apply to:

- Major Projects as defined in the Playford Global Glossary
- Projects defined within s48(1) of the *Local Government Act 1999*
- Where the council considers that it is necessary or appropriate.

In accordance with s48(3) of the *Local Government Act 1999*, a prudential report does not apply to:

- Road construction or maintenance; or
- Drainage works

These works will be undertaken in accordance with Council's Procurement Policy.

3. Legislation and References

- Local Government Act 1999
 - s48 - Prudential requirements for certain activities
- Risk Management Policy
- Treasury Management Policy
- Procurement Policy
- City of Playford Risk Management Framework
- City of Playford Project Management Framework
- City of Playford Global Glossary

This Policy should not be considered as the only document that may relate to prudential management, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	<ul style="list-style-type: none"> • Overseeing and monitoring the prudential management for identified projects across the Council. • Adopt a Prudential Management Policy
Chief Executive Officer	<ul style="list-style-type: none"> • Ensure that prudential management is implemented and maintained in accordance with this policy.
Executive	<ul style="list-style-type: none"> • Ensure that prudential management is effectively implemented and monitored for all Major Projects (including reporting) undertaken in accordance with this Policy and the associated procedure.
Corporate Governance Committee	<ul style="list-style-type: none"> • Assist Council in exercising due diligence, accountability. • Oversight and monitoring responsibilities in relation to projects.
Project Manager	<ul style="list-style-type: none"> • Ensure the principles of this Policy and associated procedure are applied during the initial stages of any project. • Ensure prudential management is undertaken in accordance with this Policy and associated procedure for the projects they are responsible for.

5. Relevance to Risk Appetite Statement

Financial Sustainability

The City of Playford has a **LOW** appetite for financial risk. The Prudential Management Policy ensures that Council understands the impacts and risks associated with major projects, including any unintended financial implications.

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation. The Prudential Management Policy ensures that Council understands the impacts and risks of proceeding with major projects, including any unintended reputational risks.

Regulatory Compliance

The City of Playford has a **ZERO TOLERANCE** for non-compliance with applicable legislation. This policy addresses this risk by ensuring compliance with Section 48 of the *Local Government Act 1999*, which requires Council to develop and maintain policies and procedures for the assessment of projects.

6. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3986462
Version no.	2
Procedure link	Prudential Management Procedure
Policy author	General Manager – Corporate and Strategy
Endorsed by	Council
Resolution no.	
Legal requirement	Local Government Act 1999
Review schedule	4 years
Date of current version	March 2021
Date of next review	March 2021

Version history

Version no.	Approval date	Approval by	Change
1	22 May 2012	Council	New document.
2	March 2021	Council	Moved into new corporate template. Updated policy to provide clarity of the intent to the policy and ensure a structured document. Policy updated to ensure aligns to legislative requirements. New Prudential Management Procedure developed.



Prudential Management Procedure

Policy Author	General Manager – Strategy and Corporate
Date of next review	May 2024

1. Purpose

Council undertakes Prudential Management for major capital projects to ensure:

- Due care, Foresight and Diligence – Council will exercise due care, foresight and diligence in the management of public resources.
- Risk Management – prudential requirements and reporting will be underpinned by Council's approach to risk assessment in accordance with its Risk Management Policy.
- Probity – Council's conduct aims to inspire confidence in Council decisions and the integrity of the decision making process.
- Accountability – Council is accountable for its activities and decisions, which are in the public interest.

Prudential Management commences prior to making a decision to proceed with a Major Project and continues on throughout the life of the project.

2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Prudential Management Policy

- City of Playford Integrated Risk Management Framework
- Long-term Financial Plan
- City of Playford Global Glossary

2. Application

Chief Executive Officer	<ul style="list-style-type: none">• Ensure that prudential reports are conducted by an independent and suitably qualified person
Project Manager	<ul style="list-style-type: none">• Ensure the principles of this procedure are applied when dealing with projects and appropriately managing projects

4 Procedure

4.1 Prudential Report

Projects falling within the scope of the Prudential Management Policy require a Prudential Report to be prepared. In addition to the requirements of the Section 48 of the *Local Government Act (1999)*, a prudential report will also contain information on:

- The reliability of calculated revenues or costs;
- Any assumptions made;

- A sensitivity analyses on a best case, worst case and most likely outcome assuming the parameters used;
- The impact on the Council's long term financial position; and
- The proposed frequency of ongoing prudential reporting to Council through the life of the project.

4.2 Prudential Report Author

To obtain a section 48 prudential report, the Chief Executive Officer will appoint a suitably qualified, independent person who will be skilled in the assessment of the proposed project. This may include engineering, finance, infrastructure, and project management skills. The person appointed may be a member of staff, however in such instance the person must not have an interest in the proposed project.

The Council's external auditor cannot be engaged to provide a section 48 report. Legislation states that a Council's statutory auditor cannot undertake activities outside the scope of the auditor's functions under the *Local Government Act 1999* to avoid compromising the auditor's independence of the auditor's statutory responsibilities. However, the Council may engage a different auditor, or other suitably qualified person to prepare such a report, if that person is considered to be skilled in the assessment of the proposed project.

4.3 Consideration of the Report

Council cannot delegate the consideration of the report. The report must not be read in isolation and will be considered together with the Council's asset management plan, long-term financial plan, and risk management plan. The engaged author will prepare a Prudential Report in accordance with these procedures, associated policy and legislation for consideration by Council prior to the commencement of the project.

4.4 Access by the public to the prudential report

Subject to restrictions to protect commercial confidentiality, or other people's financial affairs, the report will become a public document after the Council has made a decision on the project (or earlier at the Council's discretion).

Council will make the document available for public inspection at its principle place of business. The prudential report will also be published on Council's website.

4.5 Assets to be received free of charge

Assets, including roads, land, and buildings can be received by Council for no consideration. This would have the effect of increasing the asset stock of the council and the consequent asset management costs.

Accepting any asset will impact asset management costs in the future. On the other side of the balance sheet, there may be additional rate revenue generated from a new asset. Where appropriate, depending on the level of risk, Council staff may treat an asset being received free of charge as a Major Project under the Prudential Management Policy, making it subject to full Prudential Reporting.

Administration use only

ECM document set no.	3986475
Version no.	1
Policy link	<i>Prudential Management Policy</i>
Procedure author	<i>General Manager – Corporate and Strategy</i>
Endorsed by	<i>Council</i>
Resolution no.	
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	<i>4 Years</i>
Date of current version	March 2021
Date of next review	March 2025

Version history

Version no.	Approval date	Approval by	Change
1		Council	New Procedure

5.6 TREASURY POLICY REVIEW

Responsible Executive Manager : Mr Barry Porter

Report Author : Ms Joy O'Keefe-Craig

Delegated Authority : Matters for Information.

Attachments : 1↓. Current Treasury Policy
 2↓. Proposed Treasury Policy

Purpose

The purpose of this report is to seek feedback from the Corporate Governance Committee on the proposed Treasury Policy.

STAFF RECOMMENDATION

That the Corporate Governance Committee notes the proposed Treasury Policy and provides the following feedback:

1. _____
2. _____
3. _____

Relevance to Strategic Plan

Community Theme 5 - Using money wisely

Council seeks to demonstrate strong leadership to ensure the community is confident in its leaders by demonstrating a strategic financial direction and accountable approach. Reviewing our policies supports compliance and confidence that all steps have been taken to ensure Council's strategy implementation and relevant policy documents guide the decision making of Council. Sound policy builds confidence in the Council's management of responsibilities and ensures transparency and accountability are upheld.

Relevance to Public Consultation Policy

There is no requirement for community consultation regarding the review of this policy. Once endorsed, the updated Policy will be made available on Council's website.

Background

Council's policies play an important role in communicating Council's intention, obligations and setting our roles and responsibilities in decision making.

The Treasury Policy was last reviewed in 2014 and adopted by Council on the 23 September 2014. The policy was due for review in 2016. Following the recent ICAC recommendations and the implementation program regarding Council's Policy Review process, the Treasury Policy was scheduled for review.

The content of the policy was reviewed to ensure it continues to provide an effective decision making framework and ensuring the policy sets the principles for effectively managing Council's treasury management.

Current Situation

This policy articulates the City of Playford strategies to effectively manage Council's Treasury management. The Treasury Policy required a minor redraft to ensure current legislative requirements. The policy sets the strategic intention of Council to support and maintain a high level of financial management in accordance with the *Local Government Act 1999*.

To ensure good probity, Council intends to inform and seek input from the Corporate Governance Committee on the proposed Treasury Policy.

Future Action

The Policy document will be updated to include agreed amendments recommended by the Corporate Governance Committee.



Treasury Policy

1. Policy Statement

This policy sets the principles and criteria with regard to Council's treasury management in the context of the annual budget, long-term financial plan and associated projected and actual cash receipts and outlays. It outlines how required borrowings will be raised and how cash and investments will be managed to fund Council operations.

2. Scope

This policy applies to all financial assets/liabilities including finance leases and bank overdrafts except for the following specific exclusions:

- Creditors and Provisions.
- Bank Guarantees.

This policy applies to all Council staff.

3. Definitions

Borrowings

An amount of money or monies owed by Council to a lender, for which the council agrees to pay the lender interest.

4. Legislation and References


- Framework for the Preparation and Presentation of Financial Statements, published by the Australian Accounting Standards Board
- SA Local Government Act 1999 (as amended)
- SA Local Government (Financial Management) Regulations 2011 (as amended)

5. Borrowings

Borrowing is an appropriate mechanism for the provision of services to the community in with regard to strategic directions. Borrowings will be considered in the context of long term financial forecasts and objectives and as a mechanism to fund temporary cash shortfalls.

5.1 Council manages cash and borrowings holistically within the constraints of the overall financial sustainability strategies and targets outlined in the long-term financial plan. Council will:

- Maintain target ratios

	Policy No.:		Version No.:	1
	ECM Document Set No.:	1978542	Initial Date of Adoption:	23/09/14
	Authorised by:	Council – Resolution 1906	Date of Current Version:	23/09/14
	Document Maintained by:	Compliance and Transactional Services	Next Review Date:	Sept. 2016

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- Not retain or quarantine money for particular purposes unless required to do so by legislation, agreement with other parties or by Council resolution.
 - Apply any surplus funds not immediately required to reduce the level of variable interest borrowings.
 - Borrowings are not matched to specific projects.
- 5.2 Borrowings are not a form of revenue and ideally should not be used to service its operating requirements.
- 5.3 Under the Local Government Act 1999 Council may borrow through any market mechanism but not directly issue its own borrowings.
- 5.4 Future movements in interest rates are uncertain in direction, timing and magnitude. Council recognises the importance of balancing risk and cost and therefore should use a combination of fixed and variable interest borrowings to spread the risk exposure.
- 5.5 Council must maintain sufficient levels of variable interest borrowings to ensure surplus cash inflows can be immediately applied to reducing borrowings.
- 5.6 Under the Local Government Act Council must set a borrowings limit as part of the annual budget process and adopt any amendments to budget reviews during the year.
- 5.7 When setting the borrowings limit Council must maintain both its interest cover and net financial liabilities ratios.

6. Investments

- 6.1 Investments will be made in a prudent manner having regard for the prevailing economic climate, projected interest rate movements and future cash requirements.
- 6.2 In accordance with this policy and the Local Government Act, any funds that are not immediately required for operational needs and cannot be applied to reduce borrowings will be invested.
- 6.3 To reduce the level of risk in treasury operations, Council must limit investments to secure organisations and therefore the following investments can be utilised without Council approval:
- Deposits with the Local Government Finance Authority (LGFA)
 - Bank interest bearing deposits
 - State / Commonwealth Government Bonds
 - Bank accepted / endorsed bank bills
- 6.4 In terms of investments, the role of the finance manager is to:
- Optimise use of its excess funds and ensure adequate security of those funds invested, and
 - Consider terms that will align with liquidity requirements.
- 6.5 All investments are to be made exercising care, diligence and skill in the consideration of:

- The likely yield and term of the investment
- The period in which the investment is likely to be required
- The cost of making and maintaining the investment
- An assessment of future interest rate movements
- An assessment of future cash flow requirements

7. Relevance to Council Plan

Outcome 5.2 Delivering value for money services

8. Approval and Change History

Policy ID	Version	Approval Date	Approval by	Change
	1	23/09/14	Council – Resolution 1906	New Policy – previously was part of Treasury (Cash) Management & Financial Reserves Policy

Treasury Policy



Policy Author	General Manager – Strategy and Corporate
Date of next review	May 2024

1. Statement of Intent

The primary objectives of Council's Treasury Policy is the optimisation of earnings, operating in a financially sustainable manner, ensuring risks are identified and managed and maintaining compliance with appropriate legislation.

This policy sets the principles for effectively managing Council's treasury management in the context of the annual business plan and budget, long-term financial plan, associated projected and actual cash flows. It outlines how required borrowings will be raised and how cash and investments will be managed to fund Council operations.

1.1. Borrowings

Borrowing is an appropriate mechanism for the provision of services to the community with regard to strategic directions. Borrowings will be considered in the context of long term financial forecasts and objectives and as a mechanism to fund temporary cash shortfalls.

1.1.1 Council manages cash and borrowings holistically within the constraints of the overall financial sustainability strategies and targets outlined in the long-term financial plan. Council will:

- Maintain target ratios
- Not retain or quarantine money for particular purposes unless required to do so by legislation, agreement with other parties or by Council resolution.
- Apply any surplus funds not immediately required to reduce the level of variable interest borrowings.
- Not match borrowings to specific projects.

1.1.2 Borrowings are not a form of revenue and ideally should not be used to service operating requirements.

1.1.3 Under the *Local Government Act 1999* Council may borrow through any market mechanism but not directly issue its own borrowings.

1.1.4 Future movements in interest rates are uncertain in direction, timing and magnitude. Council recognises the importance of balancing risk and cost and therefore should use a combination of fixed and variable interest borrowings to spread the risk exposure.

1.1.5 Council must maintain sufficient levels of variable interest borrowings to ensure surplus cash inflows can be immediately applied to reducing borrowings.

1.1.6 Under the *Local Government Act 1999*, Council must set a borrowings limit as part of the annual budget process and adopt any amendments to budget reviews during the year.

- 1.1.7 When setting the borrowings limit Council must maintain both its interest cover and net financial liabilities ratios.

1.2. Investments

- 1.2.1 Investments will be made in a prudent manner having regard for the prevailing economic climate, projected interest rate movements and future cash requirements.
- 1.2.2 In accordance with this policy and the *Local Government Act 1999*, any funds that are not immediately required for operational needs and cannot be applied to reduce borrowings will be invested.
- 1.2.3 To reduce the level of risk in treasury operations, Council must limit investments to secure organisations and therefore the following investments (ie with a term of less than 12 months) can be utilised without Council approval:
- Deposits with the Local Government Finance Authority (LGFA)
 - Bank interest bearing deposits
 - State / Commonwealth Government Bonds
 - Bank accepted / endorsed bank bills
- 1.2.4 In terms of investments, the role of the Finance team is to:
- Optimise use of its excess funds and ensure adequate security of those funds invested, and
 - Consider terms that will align with liquidity requirements.
- 1.2.5 All investments are to be made exercising care, diligence and skill in the consideration of:
- The likely yield and term of the investment
 - The period in which the investment is likely to be required
 - The cost of making and maintaining the investment
 - An assessment of future interest rate movements
 - An assessment of future cash flow requirements

1.3 Reporting

Section 140 of the *Local Government Act 1999* requires that Council review its investments annually. A report will be presented to Council annually which summarises the performance of Council's investment portfolio.

2. Scope

This policy applies to all financial assets/liabilities including finance leases and bank overdrafts. This policy applies to all staff authorised to administer treasury management functions under Council's Delegations Register.

This policy does not cover:

- Creditors and Provisions.
- Bank Guarantees.

3. Legislation and References

- *Local Government Act 1999*
 - For Borrowings, Section 44, 122, 123 and 134
 - For Investments, Section 47, 139 and 140
- Local Government (Financial Management) Regulations 2011
 - Regulation 5
- Framework for the Preparation and Presentation of Financial Statements, published by the Australian Accounting Standards Board
- City of Playford Global Glossary
- City of Playford Delegations register
- Fees and Charges Policy
- Financial Sustainability Policy

This Policy should not be considered as the only document that may relate to treasury, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	On-going review of treasury performance and risks. Approve total borrowings Approval of investments fixed for a period greater than 12 months
Chief Executive Officer	Overseeing compliance, implementation and performance against investment objectives and ensuring reporting to Council.
Finance Manager	Prudently manage Council's liquidity and its borrowings and investments. Implementation of investment and financial risk management activities. Making recommendations in relation to borrowings. Ensure the principles of this policy are followed. Ensure appropriate financial processes are established and maintained to manage financial risks in accordance with this policy.

5. Relevance to Risk Appetite Statement

Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts the Council's income. The Treasury Policy enables borrowings and investments to be managed responsibly and prudently.

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation. The Policy enables the council to apply a consistent and transparent approach to the management of its borrowings and investments.

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation including the legislation listed within this policy

6. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3982431
Version no.	2
Procedure link	N/A
Policy author	General Manager - Strategy and Corporate
Endorsed by	Council
Resolution no.	
Legal requirement	Local Government Act 1999
Review schedule	e.g. 4 years per Council term
Date of current version	April 2021
Date of next review	April 2025

Version history

Version no.	Approval date	Approval by	Change
1	23/09/2014	Council	New Policy – previously was part of Treasury (Cash) Management and Financial Reserves Policy
2	April 2021	Council	Updated in new template Legislative section reviewed and updated Included application section. Inclusion of Risk Appetite section Removal relevance to Council Plan section
