

# AGENDA

ORDINARY MEETING OF THE  
**HORSHAM RURAL CITY COUNCIL**

on

**12 June 2018**

**5.30pm**

at

Civic Centre

HORSHAM

**COUNCILLORS are respectfully requested to attend the Ordinary Meeting of the Horsham Rural City Council to be held in the Municipal Chambers, Civic Centre, Horsham at 5.30pm on Tuesday 12 June 2018.**

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CLOSE



SUNIL BHALLA  
Chief Executive Officer

**1. READING OF PRAYER AND THE ACKNOWLEDGEMENT OF COUNTRY STATEMENT****2. WELCOME TO DISTINGUISHED GUESTS OR PERSONS IN THE PUBLIC GALLERY**

The public are advised that the Council meeting will be recorded to maintain an audio archive.

**3. APOLOGIES AND REQUEST FOR LEAVE OF ABSENCE**

Apology received from Cr Alethea Gulvin for today's Council meeting.

**4. CONFIRMATION OF MINUTES AND SIGNING THEREOF**

MINUTES OF AN ORDINARY MEETING OF THE HORSHAM RURAL CITY COUNCIL HELD IN THE MUNICIPAL CHAMBERS, CIVIC CENTRE, HORSHAM AT 5.30PM ON 21 May 2018

**5. DISCLOSURE OF INTEREST AND DECLARATIONS OF CONFLICT OF INTEREST**

A Councillor who has a conflict of interest and is attending the Council meeting must make a full disclosure of that interest.

(a) by either –

- (i) advising the Council at the meeting of the details required under paragraphs (b) and (c) immediately before the matter is considered at the meeting; or
- (ii) advising the Chief Executive Officer in writing of the details required under paragraphs (b) and (c) before the meeting; and

(b) classifying the type of interest that has given rise to the conflict as either –

- (i) a direct interest under 77B; or
- (ii) an indirect interest and specifying the particular kind of indirect interest under:

Section 78 – close association  
Section 78A – financial interest  
Section 78B – conflicting duties  
Section 78C – receipt of an applicable gift  
Section 78D – consequence of becoming an interested party  
Section 78E – impact on residential amenity; and

- (c) describing the nature of the interest; and
- (d) if the Councillor advised the Chief Executive Officer of the details under paragraph (a)(ii), the Councillor must make a disclosure of the class of interest only to the meeting immediately before the matter is considered at the meeting.

#### Members of Staff

Under Section 80C of the Local Government Act 1989, officers or people engaged under contract to the Council providing a report or advice to Council must disclose any conflicts of interests in the matter, including the type of interest.

**6. PUBLIC QUESTION TIME**

**7. OTHER BUSINESS**

**7.1 RESUMPTION OF DEBATE ON THE MOTIONS FROM PREVIOUS MEETING**

NIL

**7.2 RECEPTION AND READING OF PETITIONS, MEMORIALS, JOINT LETTERS AND DEPUTATIONS**

NIL

**7.3 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

NIL

**7.4 COUNCILLORS QUESTIONS WITH NOTICE**

NIL

**7.5 ORDERS OF THE DAY**

NIL

## **8. OTHER REPORTS**

### **8.1 ASSEMBLY OF COUNCILLORS – RECORD OF MEETINGS**

Council briefing meeting held on Monday 28 May, 2018 at 5.00pm in the Reception Room.

Council budget meeting to hear submissions held in the Council Chambers on Wednesday 6 June, 2018 at 5.30pm.

Refer to **Appendix “8.1A”**.

#### **Recommendation**

That Council note the Assembly of Councillors’ – Record of Meetings.

### **8.2 SEALING OF DOCUMENTS**

NIL

### **8.3 INWARD CORRESPONDENCE**

NIL



**8.4 COUNCIL COMMITTEE MINUTES**

- 8.4.1 Wimmera Intermodal Freight Terminal Committee of Management meeting held on 27 February, 2018 at 1.30pm in the Council Chambers**
- 8.4.2 Horsham Racecourse Reserve Advisory Committee meeting held on Tuesday 1 May, 2018 at 7.30pm at the Central Park Tennis Club Pavilion**
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- 8.4.6 Horsham Sports and Recreation Advisory Committee meeting held on Thursday 17 May, 2018 at 4.30pm in the Council Chamber, Municipal Offices, Horsham.**

Refer to **Appendix "8.4A"** for copy of minutes.

## 9. COUNCILLORS' REPORTS

## 10. OFFICERS REPORTS

### 10.1 REVIEW OF PROCUREMENT POLICY

G Harrison

File Ref: F13/A01/000003

#### Purpose

To adopt a revised Procurement Policy (**Appendix “10.1A”**) in accordance with Section 186A (7) of the Local Government Act 1989.

#### Background

Under Section 186A (7) of the Local Government Act 1989 Council must review its current procurement policy at least once in each financial year. Council’s current Procurement Policy was last reviewed in June 2017 where some minor changes were made and the procurement thresholds remained at the same levels as follows:

Threshold	New at June 2016 (Inclusive of GST)
One quote required	\$1,000 to \$10,00
Two written quotes required	\$10,001 to \$40,000
Three written quotes required	\$40,001 to \$80,000
Tender Required	Above \$80,000

#### Issues

During this year’s review a number of relatively minor changes have been made, largely around language and some terminology. The only substantial change has been to amend the current threshold limits to make them exclusive of GST. This change effectively increases each amount by 10% but more importantly aligns the policy with the financial delegations and common practises.

Threshold	Revised June 2018 (Exclusive of GST)
One quote required	\$1,000 to \$10,00
Two written quotes required	\$10,001 to \$40,000
Three written quotes required	\$40,001 to \$80,000
Tender Required	Above \$80,000

Other changes made within the document can be seen in **Appendix “10.1B”** that shows the tracked changes. All of these changes have been made to reflect Council’s current practises and to further tighten up on the language within the document so that matters are clearer and less ambiguous to the reader.

There is currently a bill before parliament to update the Local Government Act and should that bill be passed into law, then there will be a requirement to review the Procurement Policy in a more significant way. It is anticipated that this more extensive review will be required during 2018/2019.

### **Consultation/Communication**

The revision of the Procurement Policy has taken place in consultation with Departmental Managers, Executive Management Group, Contracts Co-ordinator and the Finance Manager.

### **Financial**

Best practice in procurement is at the centre of good financial management, and as such amendments to the policy contribute to our continuous improvement in this area of financial management.

### **Links To the Council Plans, Strategies, Policies**

Key Direction 4.5 – Achieve high standards of organisational performance  
Guiding Principle – Provide accountable financial management and reporting

### **Risk Consideration**

A robust procurement process with high levels of internal control, sound and tested procedures will significantly assist in mitigating risk in this area of Council business. Thresholds set at incorrect levels can lead to poor decisions on procurement but can also lead to inefficiencies in the procurement process, these two competing aspects must be balanced off when looking at the relevant threshold levels.

### **Recommendation**

That Council adopt the revised procurement policy (**Appendix “10.1A”**).

## **10.2 PENSIONER RATES REBATE 2018/2019**

K Bell

File Ref: F27/A02/000001

### **Purpose**

To allow pensioner concession applications that were lodged in previous years to be applicable in 2018/2019.

### **Background**

Pensioners and Department of Veterans’ Affairs gold cards (TPI) – Totally and Permanently Incapacitated and War Widows who have been granted rate rebates in previous years are not required to re-apply each year if they remain eligible, providing the Council formally resolves to waive the rates and charges in the current year. The Local Government Act 1989 requires such a resolution in the terms of the recommendation below.

### **Consultation/Communication**

An advertisement is to be placed in the Wimmera Mail-Times in relation to the resolution proposed which will also draw attention to the rebate increase from **\$223.80** to **\$229.40**. This represents an increase of 2.5%.

In addition, the fire services property levy pension rebate will remain at **\$50.00** for holders of pensioner concession cards on their principal place of residence. Only one concession will apply per property.

### **Links To Council Plans, Strategies, Policies**

Guiding Principle – Provide accountable finance management and reporting.

### **Recommendation**

That Council in accordance with the provision of the Local Government Act 1989 Section 171(4) in relation to general rates and service charges levied under the provisions for the above Act, with the consent of the Minister, the Council in respect of recipients eligible for waivers under the State Concessions Act 2004, treat those persons who were granted waivers in 2017/2018 as having made a continuing application for a waiver in respect of the same rateable land or part on which a waiver was granted in 2017/2018 unless the person advises the Council that a waiver is no longer sought.

## **10.3 FARM BUILDINGS/FARM SHEDS**

Angela Murphy

File Ref: F04/A04/000001

### **Purpose**

To endorse the criteria and note the guideline and application form for exemption for farm buildings from requirement to obtain a building permit under Regulation 280 (formerly 1804) of the Victorian Building Regulations 2018.

### **Background**

Council, at its meeting held on 19 March 2018, resolved to rescind the 2003 Exemption for Farm Buildings from requirement to obtain a Building Permit Policy due to it being out of date and in conflict with current legislation. In other words, Council's 2003 policy (now revoked) exempted farm buildings on farm land from the requirement to obtain a building permit.

Reference is made to the Notice of Motion No 165 presented by Cr Robinson at the 3 April 2018 Ordinary meeting of Council relating to the Victorian Building Regulations 2018 Regulations 280 (formerly 1804) Exemption for Class 10 buildings on farm land. The Notice of Motion No 165 was laid on the table and subsequently withdrawn at the Council meeting on 21 May 2018. It should be noted that the Victorian Building Regulations 2018 came into effect on 2 June 2018.

### **Issues**

The new classifications under the Building Code of Australia specifically for Farm Sheds and Farm Buildings came into operation in 2016. In accordance with A1.1, BCA 2016 – Volume 1, the definition of a Farm Building or Farm Shed is clearly defined as a Class 7 or 8 building and must comply with the requirements of Part H3, BCA 2016 – Volume 1.

These classifications are attached as **Appendix “10.3A”**.

Following the Council meeting held on 3 April 2018, Weir Consulting was engaged to provide legal advice on the application of regulation 280 (formerly 1804) of the Building Regulations 2018, the definition of a Class 10 shed under regulation 280 (formerly 1804) and the pros and cons of establishing a farm shed exemption policy. Regulation 280 (formerly 1804) states that a Council may exempt a Class 10 building that is to be constructed on farm land and used for farming purposes from all or any of the requirements of these Regulations.

Council officers have since deferral of this report at the Council meeting held on 21 May 2018, undertaken further research to clarify the circumstances and criteria for making an application for a farm shed exemption, including reinforcing that the relevant Building Surveyor is responsible for determining the classification of the farm shed or building.

Attached as **Appendix “10.3B”**, is a guideline and application form for exemption which has been developed based on the legal advice and is included on Council’s website as background information to support applications for farm shed exemptions from obtaining a building permit. The guideline sets out the criteria for exemption from obtaining a building permit, and highlights that the exemption is not an “as of right” exemption, and is assessed by the building surveyor on a case by case basis. Regulation 13 (formerly 112) provides that buildings must be classified as set out in the Building Code of Australia and that if there is any doubt as to the classification, the relevant building surveyor must classify the building as belonging to the class it most closely resembles. The onus is on the applicant or owner to make enquiries on the building permit requirements for farm sheds and farm buildings.

## **Consultation**

Consultation has occurred with the Municipal Association of Victoria, Victorian Municipal Building Surveyors Group, shed manufacturer, Council's and legal adviser. Our research indicates that Northern Grampians Shire has a policy whereby the building surveyor has received 8 applications for exemptions and approved 5 in the last financial year. Southern Grampians Shire has a guideline whereby the building surveyor has approved approximately 80% of exemptions (10 exemptions approved for 2018 calendar year) for farm sheds, after consultation and education with prospective applicants and more broadly the shed manufacturers.

## **Links to Council Plans, Strategies, Policies**

Goal 2 Sustaining the Economy

2.1 Cultivate opportunities for the municipality to prosper and pursue possibilities for new developments.

## **Recommendation**

That Council -

1. Under the Victorian Building Regulations 2018 – Regulation 280 (formerly 1804) 'Exemption for Class 10 buildings on farm land, may exempt the following, subject to an application process on a case by case basis, and subject to the relevant building surveyor classifying the building as belonging to the class it most closely resembles in accordance with Regulation 13 (formerly 112).

A Class 10 building that is to be constructed on land primarily used for farming that is:

- (a) A single Class 10 building that is to be constructed on land used for farming that is used in connection with farming; and
- (b) occupied neither frequently nor for extended periods by people; and
- (c) in which the total numbers of persons accommodated at any time does not exceed 2; and
- (d) with a total floor area of 500 square metres or less; and
- (e) the land must be '*farm land*' that is being used for a commercial purpose (making a profit)

*Note: farm land as defined in the Valuation of Land Act 1960.*

2. Note its revocation of the "Exemption for farm buildings from requirement to obtain a building permit policy" at its Ordinary Meeting of 19 March 2018 on the basis that it is no longer consistent with the current exemption power under regulation 1804.

3. Note that:
  - a. to the extent that the resolution made on 19 March 2018 may have affected the delegation of power by Council to the CEO to issue an exemption under regulation 1804 that delegation is remade; and
  - b. that in making the fresh resolution, Council confirms that the CEO and any person to whom the power to grant the exemption is delegated by the CEO now or in the future, may exercise that power on application by the owner of farm land seeking the exemption.
4. Note the guideline and application form for exemption for farm buildings from requirement to obtain a building permit published on Council's website and made generally available.

#### **10.4 ELECTRICITY SUPPLY CONTRACT**

Andy Van & John Martin

File Ref: F13/A02

##### **Recommendation**

That Council refer this item to the confidential briefing part of the meeting to consider the report from the Director Technical Services in accordance with Section 89(2) (d) contractual matters of the Local Government Act, 1989.

#### **10.5 KERB & CHANNEL SPECIAL CHARGE SCHEME, JENKINSON AVENUE, HORSHAM – STAGE 3**

Lyndon White

File Ref: 88/01/00940

##### **Purpose**

To finalise the Special Charge Scheme for the third stage of kerb and channel construction in Jenkinson Avenue from Colin Street to Murray Street.

##### **Background**

Council, at its meeting of 8 December 2016, approved a Kerb and Channel Special Charge Scheme for Jenkinson Avenue, Horsham. The third stage of Jenkinson Avenue has nine affected properties, eight of the landholders signed agreements with Council and the ninth objected. It was decided to proceed by removing the ninth property from the scheme.

The construction works have recently been completed.



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## **Financial**

Council as part of its 2016/2017 Urban Road Construction budget allocated \$161,000 to the construction of Jenkinson Avenue and this included a \$14,000 contribution to the kerb and channel.

Actual costs for the project have been calculated and a final apportionment prepared, as provided in the Confidential Briefing Paper.

A summary of the costs is as follows -

	<b>Estimated Cost</b>	<b>Actual Cost</b>
Total cost of works	\$29,414.15	\$26,407.67
Cost per metre	\$77.29	\$69.39
Council contribution	\$14,707.08	\$14,402.17
Owners contribution	\$14,707.08	\$12,005.50

## **Recommendation**

That Council -

1. Adopt the final cost apportionment.
2. Levy the owners affected by the Special Charge Scheme for Jenkinson Avenue, Horsham kerb and channel stage 3 construction for final costs.

**11. URGENT BUSINESS**

# APPENDICES

**COUNCIL BRIEFING HELD IN THE RECEPTION ROOM  
ON MONDAY 28 MAY 2018 AT 5.30PM**

**Present:** Cr P Clarke, Mayor, Cr MA Radford, Cr J Robinson, Cr L Power, Cr A Gulvin (from 5.45pm); Sunil Bhalla, Chief Executive Officer; John Martin, Director Technical Services; Graeme Harrison, Director Corporate Services; Angela Murphy, Director Planning and Economic (until 6.00pm); Kevin O'Brien, Director Community Services; Lauren Coman, Regulatory Services Development Manager; Anne Donovan, Community Development Manager (items 3.1 and 3.2 only); Nick Carey, Senior Statutory Planner (item 3.1 only); Adam Moar, Statutory Planner (item 3.1 only)

**Apologies:** Cr D Grimble, Cr J Koenig

**1. WELCOME AND INTRODUCTION**

Cr Clarke welcomed everyone.

**2. DISCLOSURE OF CONFLICT OF INTEREST SEC 79, LOCAL GOVERNMENT ACT, 1989  
(AS AMENDED)**

Nil.

**3. DISCUSSIONS**

**3.1 Development Plan – Pearsons Road**

Nick Carey, Adam Moar and Lauren Coman attended to discuss the development plan.

**3.2 Youth Strategy**

Anne Donovan provided a presentation on the youth strategy.

**3.3 Procurement Policy Review**

Discused

**3.4 Council Meeting Agenda**

Discussed

Meeting adjourned for dinner 6.30pm.

Meeting reconvened 7.00pm for travel to Jung Hall.

**4. COMMUNITY CONSULTATION MEETING AT JUNG HALL AT 7.45PM**

**Present:** Cr P Clarke, Mayor, Cr J Robinson, Cr L Power; Sunil Bhalla, Chief Executive Officer; John Martin, Director Technical Services; Graeme Harrison, Director Corporate Services; Kevin O'Brien, Director Community Services; Lauren Coman, Regulatory Services Development Manager; David Arnott, Andy Barnes, Terry O'Donnell, Geoff Ellis, Steve Foster, Chris Pallot, Matt Ellis, Paul Murphy, Rosalyn Donasco, Carlos Boussac

**Apologies:** Cr D Grimble, Cr MA Radford, Cr A Gulvin, Cr J Koenig; Angela Murphy, Director Planning and Economic; Pam Baker, Elizabeth Eldred

**DISCUSSION WITH JUNG COMMUNITY**

- Jung transfer station
- Signs requested – end of Main Street
- Drainage down Store Street
- Grading
- Jung North Road
- Intersection of Main and Baker Streets
- Overgrown fronts and backs of properties
- Appreciation to Council
  - reserve mowing (adjacent to railway line) in summer
  - park maintenance
- Transfer station hours
- Incorporated Association
- Tree clearing – co-ordination with Powercor
- Non-drinking water
- V/Line bus
- Community plan
- Tidy Towns
- Communication
- School bus
- Recreation Reserve fee
- Market day
- Community service
- Entrance to township
- Graincorp silos
- Truck / car / caravan parking
- Trees in front of hall

**5. CLOSE**

9.00pm

**ASSEMBLY OF COUNCILLORS REGISTER**

Horsham Rural City Council  
Council Budget Meeting  
Wednesday 6 June 2018 at 5.30pm  
Held in Council Chambers

**1. Present**

Mayor Cr P Clarke, Cr M Radford, Cr J Koenig, Cr J Robinson, Cr D Grimble, Cr L Power, Cr A Gulvin (from 6.00pm); Sunil Bhalla, Chief Executive Officer; Graeme Harrison, Director Corporate Services; Angela Murphy, Director Planning and Economic; Kevin O'Brien, Director Community Services; Heather Proctor, Finance Manager

**2. Apology**

John Martin, Director Technical Services

**3. Disclosure of Conflict of Interest**

Nil

**4. Presentations**

In attendance: Neville McIntyre, Jane McIntyre, Peter Jackman.

Neville McIntyre and Peter Jackman separately addressed the meeting.

The three attendees left the meeting at 5.50pm

**5. Discussion**

Items raised in presentations discussed.

Meeting closed at 6.45pm



**WIMMERA INTERMODAL FREIGHT TERMINAL  
COMMITTEE OF MANAGEMENT**

**MINUTES**

**1.30 pm, 27 February 2018  
Horsham Rural City Council, Council Chambers**

**Meeting No. 20**

**Present:**

Mr John Martin, Director, Technical Services, HRCC  
Mr Tim Guidera, Commercial Manager, Wimmera Container Line  
Angela Murphy, HRCC  
Stephen Pykett, HRCC  
Ms Maree McNeilly (teleconference)

**Apologies:**

Cr David Grimble, HRCC (Chair)  
Mr Colin Kemp, RDV

**1. Confirmation of Minutes of Meeting No 19 held on 22 November 2017**

Moved Tim Guidera and Seconded Maree McNeilly that the minutes be confirmed.

**CARRIED**

**2. Operational Update**

- Peaco from Donald was 15% of business
- Viterra and Wimpack down 30 to 40%
- Good grape system from Robinvale
- Extension to Shannon Bros.
- India's 30% import levy on pulses played havoc with world markets
- Frost late last year impacted on volumes –
- 5 trains @1100metres per train
- Operating at capacity – accommodating great than 22,000, and SCT has invested additional funds for infrastructure.
- Mode shift incentive scheme due to finish in June 2018 – aiming to lock into rates for future
- Need to lobby for Mode Shift Incentive Scheme.
- Freight terminal is running reasonably well even though mice plague

**3. Planning Scheme Amendment for WIFT Precinct**

- Planning scheme Amendment has been gazetted. Currently working on detailed overall development plan for the precinct, with drainage design identified as challenging.

**4. WIFT Precinct Development Enquiries**

- Tanloden – deferred until 2019 season
- Johnson Asahi – commencing on 3<sup>rd</sup> shed at site – will reassess at end of 2018 about future plans
- Shannon Bros –interested in site
- Viterra BLF – no further information – will need to reengage with Viterra

**5. General Business - Nil**

- Security – WCL/SCT see the need to automated/electronic gates at the terminal, given the theft from freight train in Horsham recently. Lighting/CCTV estimated to cost \$40,000.
- SCT has spent \$120k onsite for extra gravel/padding
- Have queried use of the throughput reserve for items such as security.
- The purpose of the throughput reserve is for infrastructure renewal
- WCL/SCT to send formal request for support for installation of security (scope of job)
- New CEO at HRCC will be starting on 3 April, 2018

**6. Next Meeting**

The next meeting is scheduled for Wednesday, 23 May 2018.

**7. Meeting Closed**      The meeting closed at 2.30 pm

Angela Murphy  
Director Planning and Economic



## MINUTES

**Horsham Racecourse Reserve Advisory Committee Meeting**  
**Tuesday, 1 May 2018 at 7.30 pm**  
**Central Park Tennis Club Pavilion**

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**Attendees:**

Brian Breuer	Chairperson, Community Representation
Brendan Nitschke	Central Park Tennis Club
Cr David Grimble	Horsham Rural City Council
Kevin Lane	Horsham Harness Racing Club
Jim Lonsdale	Horsham District Racing Club
John Martin	Horsham Rural City Council
Sue Newall	Horsham Rural City Council
Karen Tempest	Horsham Rural City Council

**Apologies:**

Byron Lange	Central Park Tennis Club
David Hornsby	Horsham Fire Brigade
David Arnott	Horsham West Bowls Club
Grenville Short	Horsham City Netball

### Agenda Items:

#### 1. Welcome

Chairperson – Brian Breuer

Sue Newall – acting in Rhonda's role. Sue also introduced Karen Tempest who is working on the lighting project.

#### 2. Disclosure of Conflict of Interest

Nil

#### 3. Minutes of the previous meeting 14<sup>th</sup> November 2017

The meeting date was changed to 1 May due to some postponements.

**Moved:** Kevin Lane                      **Seconded:** Jim Lonsdale                      **CARRIED**

Business arising – many items on the agenda. Others are as follows:

4.6 Horsham West Bowling Centre toilets. Will the toilets be available? The toilets are understood to be open. The Bowling Club is anticipated to apply to Council to use the toilets. **Action** – Council to follow up directly with the Bowling Club.

7.5 Horsham Cup Day Holiday. Council reviewed its position and changed the public holiday to align with the Melbourne Cup day. The Racing Club has announced a new Horsham Cup day on 21 October, the day after the Caulfield Cup.

#### 4. Administration

Nil

#### 5. Planning of Precinct

- Facility signage – a proof of the sign layout has been received and approved, awaiting receipt of goods then installation to occur. Action – check status
- Tennis Netball court development (Brian Breuer) Brian and John provided an outline of the status of works. The contractor is onsite and works are underway. The pavement works will be completed this financial year and asphalted. Surfacing work
- Water allocations from the wetlands (Brian Breuer). The Bowling Club was unable to source any water during the dry summer - autumn. John Martin has started a discussion with GWMWater and DELWP (Melbourne). DELWP is introducing a program known as Integrated Water Management (IWM), which could facilitate the planning of a reuse system based on reclaimed water from GWMWater's treatment plant. This planning is understood to commence in about June.
- John indicated he would do further planning on this in the months ahead. A concern was expressed in relation to whether the reclaimed water would damage turf and playing fields with long-term usage.

A related issue arose this year where excess water was used on the playing fields, resulting in a bill of around \$5000. This level of use can only be justified if users are prepared to pay for the water. A review of this is required.

GWMWater is also reviewing its water reclamation (treatment) plant and use of the water.

**Motion:** That Council pursue all options for alternative water sources, including recycled water.      **Moved:** Kevin Lane      **Seconded:** Jim Lonsdale      **CARRIED**

#### 6. Improvement of safety

- Adrian Hatcher Track  
A grant was approved for upgrade works around the Racecourse Reserve.
- Karen Tempest spoke on a project of proposed lighting. About 35 new poles are proposed around the walking track. There are some special cases:
- Proposed for a wall mount along Bennett Rd, on one of the racing club buildings.
  - One proposed pole inside the fence
  - One where the garden cuts in near the Tabaret building.
  - Karen requested a note from the Race Club to support these installation.
- A dog off-leash park is proposed along Natimuk Rd area, near the Apex Park playground area.
  - Discussion about lights near the tennis court car park area. The planned lights will cover these areas.

- Discussion about whether solar was considered. Issues with shading from trees, and battery life. LEDs provide low-cost electricity, and mains power provides a reliable low maintenance source.
- Discussion about lighting in the skate park area.
- Notification of residents will be conducted (**Action**). There were some sensitivities re the lighting when the Tabaret was constructed. Works are likely to start in about July.

## 7. General Business

- Skate Park shade application

An application through the Department of Justice was unsuccessful. This was the third time this fund had been applied to. A further application has since been made to the Horsham Sports and Community Club for this shade.

Rugby Club received a grant for shade. What are the details of this? They did not consult with the Racing Club regarding this. An obstruction in the middle of the racecourse is not desirable. **Action** – (JM/MK) to find out the details of the proposal.

**Action** – Invite Rugby Panthers to continue to attend this Committee.

Racing Club is seeking to put a safety light in the middle of the playing field. Racing Club to approach Council. Has applied for a building permit. Has spoken to Rob Moir about a pole for use. What is the status of the Soccer Club lights proposal?

**Action** – to follow up with Sue / Rob re status.

Racing Club is planning on extending the machinery shed. A planning permit is required as well as a building permit. Planning permit fees have increased by 110%.

## 8. Next Meeting

The next meeting will be held on Tuesday, 26 June 2018 at 7.30 pm at the Central Park Tennis Club Pavilion. Normally these will be on the 2<sup>nd</sup> Tuesday of the month. (Note to Hayley to check this for further meeting dates)

## 9. Meeting Close 8.45pm

Brian Breuer

**Chairperson**

**Horsham Racecourse Reserve Advisory Committee**

1 May 2018

Signed: \_\_\_\_\_

Dated: \_\_\_\_/\_\_\_\_/20\_\_\_\_

**Wimmera Southern Mallee Regional Transport Group (WSM RTG)**  
**MINUTES**  
**FRIDAY 4 MAY 2018**  
**Reception Room, Municipal Offices, Horsham**

**1. Welcome**

Cr Kevin Erwin – Northern Grampians  
 Cr Richard Hicks – West Wimmera  
 Cr Daryl Warren - Buloke  
 Cr Corinne Heintze – Yarriambiack  
 Cr David Grimble - Horsham  
 James Magee - Yarriambiack  
 Chris Adams – Northern Grampians  
 John Martin - Horsham  
 Peter Rogers – West Wimmera  
 Tim Guidera - WCL  
 Rod Armstrong VFF  
 Maree McNeilly - TfV  
 Kerry Todero – TfV – Road Freight Policy area

**2. Apologies**

Naga Sundararajah – Buloke  
 Mal Kersting – VicRoads  
 Warren Groves – Northern Grampians  
 Anthony Judd – Buloke  
 Peter Johnston – Graincorp  
 Nigel Powers – VicRoads  
 Colin Kemp – RDV  
 Richard Bales - RDV  
 Shane Power – Hindmarsh  
 Ralph Kenyon WDA  
 Gary Driscoll – Driscoll Engineering

***Moved: Cr Richard Hicks, Seconded: Cr Corrine Heintze, that the apologies be accepted. CARRIED***

**3. Minutes of Meeting held 9 March 2018**

***Moved: Cr Richard Hicks, Seconded: Cr Corrine Heintze, that the minutes from the previous meeting 9 March 2018, were a true and accurate record of that meeting. CARRIED***

**4. Business Arising from Minutes**

- Working group with Infrastructure Directors – on agenda.
- Mode Shift Incentive Scheme. Is a one-year extension in the budget. There is no clarity about how the funds will be extended.
  - WCL is appreciative of the support from this group and various Councils.
  - Further lobbying continues to be required.

**5. Financial Statement**

The financial report was included as an attachment.  
 Balance \$50,779.42

***Moved: John Martin, Seconded: Cr David Grimble, that the financial report be accepted. CARRIED***

**6. Correspondence**

- Out:
  - Nil

- In:
  - Premier - Media Release – Regional Roads Victoria Establishment (attached)

Noted

## 7. Reports

### 7.1. VicRoads

- Apology – written report provided at the meeting.
- Western Highway Corridor Strategy – feedback has been received

### 7.2. Transport for Victoria

#### Maree McNeilly

Country Roads Package – report circulated

- Information provided about a package looking at C-routes, sourced from Regional Transport Strategy and Supply Chain Study. Some roads are not in the Supply Chain Study – but probably should be.
- Have developed a process for prioritising projects
- Seeking feedback on the table of projects and the prioritisation process
- Includes consideration of tourism, freight and emergency routes
- Aiming to provide an evidence base to sort priorities and justify an approach for funding
- Questions / Comments
  - Detour routes – are there any sections of local roads?
  - Different rates for different roads? Unsure of basis. Maree to confirm.
  - Need to consider condition / standard of bridges and culverts on these routes
  - What happens next to develop the detailed scope of these?
    - Will be seeking funding to scope up the detail of the priority projects, e.g. including chainages, bridges and other
- **Action – All members to provide feedback on the information provided. In particular, the weightings of different aspects that have been used. Responses sought within 2 weeks.**
- No funding source identified yet – but this work helps to provide the foundations for this
- Regional Roads Strategy – in progress
- Local Roads to Market – no funding announcements yet
- Budget included:
  - Bus service improvements between Ararat and Horsham – details unknown.
  - Regional Roads Victoria to be established, based in Ballarat, from September 2018.
  - \$333 M for regional, including \$100 M for local roads – which is understood to be a competitive grant process. May require a funding co-contribution. Details not yet known.
  - About 50% of the \$333 will be in the Western Region.

#### Kerry Todero – TfV – Roads Freight Specialist

- Some of her key tasks involve
  - Victorian Freight Plan – in Minister's office for review
  - Update the principal freight network
  - Land use planning of freight corridors – avoiding inappropriate use
  - Legislation recently passed to trial automated vehicles. Trials of heavy automated vehicles being considered
  - National Heavy Vehicle Law – Review was to be commencing in 2020, but could be earlier.

#### Questions / Comments / Discussion for Kerry

- Importance of interaction with Rail Freight Alliance.

### 7.3. WDA – apology

### 7.4. Victorian Farmers Federation - Rod Armstrong

- Silo trail is popular – but concern about safety at some sites, Roseberry and Brim. Also, no toilets at some sites.

- YSC has asked VicRoads to review speed limits at Rosebery on Henty Highway
  - The Sheep Hills Hall Committee (building adjacent) is considering allowing their toilets to be utilised for the Sheep Hills silo site.
  - Also a concern about the Y-intersection near Sheep Hills where it joins the Stawell Warracknabeal Rd - the intersection is the responsibility of VicRoads however Council will pursue the matter
- Concerns about proposal for 70 km/h speed limits on unsealed roads – on agenda later.
  - Questions about condition of roads around the Murra Warra wind farm.

#### 7.5. Graincorp – apology

#### 7.6. Gary Driscoll – apology

#### 7.7. Council Representative Reports

##### *West Wimmera – Cr Hicks*

- Concern about goal of trying to repair wire rope cables within 28 days, and that this is not guaranteed. Cr Hicks suggested that 7 days should be a better target. The VicRoads director of road safety will be asked to talk on this at the next WHAC meeting.
- Flood recovery works are progressing well, starting to wind down.
- Having been working on roads near Lillimur grain handling facility – trying to improve safety and access.
- Considering options to store recycled materials – will be long term issues

##### *Yarriambiack – Cr Heintze*

- Construction of new entrance to Wilken Grain about to commence – Roads to Market funding
- Successful in gaining \$250,000 for \$500,000 project at Hopetoun Aerodrome via Regional Aviation Access Program
- In March submitted applications for Heavy Vehicle Productivity and Safety Fund

##### *Buloke – Cr Warren*

- Anthony Judd – appointed as CEO
- Looking at a rate increase below the rate cap limit.
- Have developed a draft economic development and tourism strategy – on display.

##### *Horsham – Cr Grimble*

- Sunil Bhalla – appointed as CEO
- Local contractors are busy – impacting on our tender prices.
- Interest in industrial estate at WIFT – **Action – JM to prepare a paper on possible layout of WIFT**
- Master Plan for saleyards – roofing a key project
- Concerns about the timing of the Williams Rd lights on Western Highway
- Connectivity from Wimmera Highway to Henty Highway through Golf Course Rd industrial estate is a key issue.
- Stawell Rd Intersection plans commencing
- From Rail Freight Alliance
  - Issues about High Productivity Vehicles
  - Port Access strategy – not yet released – **Action – Kerry Todero to circulate some background on this via JM**
- Asphalt works in McPherson St
- McPherson St roundabout planning continuing

*Northern Grampians – Cr Erwin*

- Safer Systems funding from VicRoads – aiming to get a collaborative approach for the region, but not getting a clear message from VicRoads.
- Flood recovery almost finished for roads – now moving on to bridges.

**7.8. Other Reports***Wimmera Container Line – Tim Guidera*

- Activity about 30% below last year's peak. Currently at 4-5 trains per week, will drop to about 3-4 per week from end of May.
- Mode Shift Incentive Scheme decision is a concern for long term, but appreciate the one year announcement.
- Levy on import of grain by India will impact
- Rail line to Mildura now connected – but is a long return trip 56 hours. Some short-term WCL customers will revert to the Mildura service shortly.
- This year was the first year that WCL would have made a profit without the MSIS. About to implement telemetry in trucks – will be a replacement for log books and provide improved information.

***Moved: Cr David Grimble, Seconded: Cr Corrine Heintze, that the reports be accepted. CARRIED***

**8. General Business****8.1. Strategy Update**

- A report was circulated on the discussions between directors since the last meeting.
- The previous strategy and supply chain study were reviewed to identify previous priorities that have been completed and new priorities which have emerged.
- The summary output from this will be circulated.

Next steps:

- Projects to be evaluated by Gary Driscoll to assess priorities
- Input to be sought from TfV and VicRoads

Comment – The connectivity to Horsham industrial estate in Golf Course Rd and Wimmera Highway / Henty Highway to be evaluated.

**8.2. Narrow seal C-class roads (refer attachment)**

- There is a concern on the condition of C-class roads. A previous list of issues from Gary Driscoll was circulated. This provides good background. The work referred to earlier by Maree advances this.
- The two pools of work, including the Strategy update need to be combined into a single set of projects and priorities.

**8.3. 70 km/h speed limit on gravel roads (refer attachment)**

- There is a proposal to trial 70 km/h speed limit in Northern Grampians. Superintendent Paul Margetts has previously briefed this Group on this proposal.
- The group recognises the safety aspect of this proposal, but does not consider it necessary in all locations
- Concerns about productivity – many of our unsealed roads are suitable for 100 km/h
- Concerns about roads being maintained to a lower speed standard
- Farming community in many areas has expressed concerns about a lower speed limit
- VFF doesn't support lower speed limit – as it in effect implies that the road will be suitable for that speed under all weather conditions, and doesn't allow for variable surface.
- Not considered as a practical option
- The group agreed that each Council should establish its own position

***Moved Cr David Grimble, Seconded: Cr Richard Hicks, that this group supports the maintenance of freight efficiency and first mile connectivity, where conditions are suitable. CARRIED***

Discussion about the motion:

- Our group is interested in freight connectivity, productivity and efficiency.
- Many roads are suitable for 100 km/h, but others are not.
- Action: Letter to be sent to VicPol, VicRoads and Ministers.
- Police should encourage people to drive to the road conditions, rather than a particular speed.

#### **8.4. Mode shift incentive scheme**

Acknowledge the positive of 1-year extension – WCL is appreciative of that.

#### **9. Next meetings**

6 July – with a site visit to WIFT prior to the meeting – details to be confirmed

7 September

2 November

#### **10. Close**

Cr Kevin Erwin

**Chairman**

**Wimmera Southern Mallee Regional Transport Group**

May 2018



**HORSHAM RURAL CITY COUNCIL  
HORSHAM AERODROME ADVISORY COMMITTEE  
HELD TUESDAY 8 MAY 2018  
5.30PM HORSHAM AERO CLUB**

**MINUTES**

1. **PRESENT**  
Mark Griffin, Ron Griffin, Tony Brand, Hugh Brownlee, John Martin
2. **APOLOGIES** - Nil
3. **CONFIRMATION OF MINUTES OF MEETING 4 APRIL 2018**  
Noted
4. **BUSINESS ARISING FROM MINUTES**
  - Refer action list (at end of Agenda)
5. **CORRESPONDENCE**
  - 5.1 **Inwards** - Nil
  - 5.2 **Outwards** – Letter seeking legal advice about NDB
6. **FINANCIAL REPORT – Attached**  
Expenditure is well within budget for this time of year
7. **MAINTENANCE REPORT**
  - Refer appendix (at end of Agenda)
    - Some security issues. Increased patrols arranged. Will reduce this end of May **(Action JM)**.
    - Discussion of scrapes from helicopters – this training practice has ceased – but if needed could use grass strips.
    - Rabbits are still around – need to keep baiting going. **[Mark Schirmer is on leave – hence check to see this is actioned.]**
    - Ambulance flood light is still often on. A timer has been fitted but it is confusing. Change the arrangement to a simpler system. **[Action JM]**
8. **NOTAMS ISSUED**  
Noted the addition of the NDB towers as obstacles in the ERSA and DAP chart. [Noted that the NDB towers have been there for many years.]
9. **MANAGER'S REPORT**
  - Budget Proposal – Drainage  
Concept being developed further done – some concern about volume available in Moore's Dam. Will be investigated in discussion with the Moore family.
  - Strip maintenance discussions
    - Discussion with Peter Moore re cultivation. Cultivation would change the species mix, and lead to a higher maintenance regime. The suggestion was to be rolled at a time when there was some moisture.
    - Do we consider land planning as an option? Would the seed bank be retained? Would a grader work?
    - Discuss with neighbours with similar soils – possibly Warracknabeal, others in the Wimmera.
    - Consider a trial on a small area to see what impacts there are. JM to discuss with relevant supervisor. Eastern side of NS runway. Towards an end – so there are fewer continuity problems. A bit of grading, a bit of rolling.
    - Timing for this would be quite soon, when there is a bit more moisture in the topsoil.

- NDB

First lawyer has not responded to brief. Will try second lawyer.

**11. GENERAL BUSINESS**

- Hugh has prepared a draft entry for the ERSA re visibility of other aircraft on opposite runways. Hugh will tidy this up and forward to John for inclusion in the ERSA, initially as a permanent NOTAM. **[Action Jared]**
- Horsham diagram is too small. Kingscote SA is a better example of a suitable size. **[Action Jared]**

**12. ACTION LIST (Refer below)**

- 13. NEXT MEETING:**           Tuesday 10 July 2018  
  Tuesday 11 September 2018  
  Tuesday 13 November 2018

**John Martin**  
**Director Technical Services**  
**AERODROME MANAGER**

**Appendix – Maintenance Items**

28/03/2018 – bunny baiting. Crack and pothole filling on runway strips and taxiways

27/03/2018 – soap dispensers fitted to amenities

3/04/2018 – Ran generator and emergency lights – all ok. Bunny baiting.

6/04/2018 - light on taxiway broken by plane (repaired). Shower rose in disabled toilet stolen

10/04/2018 – bunny baiting

13/04/2018 – wall damage to terminal inside – reported to police

17/04/2018 – New flag fitted. New scrape marks of 08/26 (helicopter training)

**Action List**

<b>Meeting Date</b>	<b>Action</b>	<b>Action By</b>	<b>Status</b>
9/02/2016	Signs for advertising on strip	JM	still to write policy.
9/02/2016	Drainage problem on apron		Jared and Mark are looking into
9/02/2016	Hangar space	JM	Deferred
15/06/2016	HATS shed – power	Jared to consider options re wiring and generator size.	Being investigated
15/06/2016	ERSA – you cannot see what is happening on thresholds of alternate runways from each far end. Some ERSAs have a warning of this.	HB - Potentially a note in ERSA – Hugh to suggest some suitable wording.	Done
13/12/2016	Consider provision of backup power for fuel pump	JM	With above.
11/04/2017	Consider a weight / tyre pressure limitation on the tie-down area 84 PSI.	Include in ERSA. Heavier aircraft should only use apron in front of terminal area.	
14/06/2017	Vacant hangar site at 16 Harpers Way – need to check if there is room for another hangar		
8/08/2017	NDB	Awaiting legal advice	
8/08/2017	Mark Schirmer to liaise with Tony about where the problems are on strip. Perhaps spraying so that mowing isn't required.	Mark Schirmer	
12/12/2017	Financial Report Invoice for mowing – send a note to Glenda Brand (Treasurer). Should ask for a credit note.	<b>Action:</b> JM to contact Glenda.	
8/05/2018	Ambulance flood light is still often on. A timer has been fitted but it is confusing. Change the arrangement to a simpler system	John Martin	
8/05/2018	Hugh will tidy this up and forward to John for inclusion in the ERSA, initially as a permanent NOTAM.	Jared Hammond	
8/05/2018	Horsham diagram is too small. Kingscote SA is a better example of a suitable size	Jared Hammond	
8/05/2018	Rabbits are still around – need to keep baiting going.	Mark Schirmer	

## MINUTES

### Horsham Tidy Towns Committee Meeting

Held on Tuesday, 15 May 2018 at 12.30 pm

Middle Meeting Room – Horsham Rural City Council Offices

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**Attendees:** Gillian Vanderwaal - Chairman, Cheryl Linke, David Eltringham, Garry Wallace, Geraldine Drum, Gary Aitken, Cr Les Power, Danielle Fowler, John Martin,

**Apologies:** Rae Talbot, Neil King, La Vergne Lehmann, Don Mitchell, Jan Morris

**1. Welcome**

**2. Minutes of the previous meeting – 17 April 2018**

Moved: Cheryl Linke, Seconded: David Eltringham that the minutes were a true and accurate record of that meeting.

**3. Business arising from previous minutes**

Refer action list

**4. Correspondence**

4.1 Inwards

4.2 Outwards

**5. Financial Report**

- In previous years budget has been over spent as awards have been in Horsham in previous years
- This money is for committee to do its own projects as well, subject to endorsement by the Committee.

**6. General Business**

6.1 2018 Awards – review of judges itinerary

- Committee invited to attend at 9am to meet judge
- Danielle to create map of itinerary
- If time permits, when travelling from Apex Island to Police Paddock, go past Southbank wetlands and discuss
- Provide a produce pack for judge
- Plaques to be given out as we go around
  - Andrew Harrison
  - Country Music Festival
  - St Brigids College
  - Gary Aitken
  - Fishing Competition
  - Apex Club
  - Ken Flack
- Invite press
- Contact ABC and could do an interview 8.30 on Wednesday or Thursday
- Invite Councilors to meet at 4.30 for farewell
- Banners up in Main Street before judge arrives and have banner made up welcoming judge “Horsham Welcomes Tidy Towns Judge – 6 June 2018” in

Stawell Road x 2 and Dimboola Road. Ensure date is able to be changed.

Moved: David Eltringham, Seconded, Geraldine Drum.

- 6.2 Gary Aitken - Sunset service for Anzac day was great. Poppies tied to Anzac bridge looked great but now are starting to get tired. Leave up until after 6 June. Starting to get locks on bridge, could maybe have a spot made especially for this.
- 6.3 Letter to Council regarding regular cleaning shop fronts and in particular cleaning dog pee. DJE to write letter
- 6.4 Anzac Bridge won an award last week for IPWEA awards
- 6.5 Removing a section of the fence along showgrounds, Neil to discuss with John about the part that is to be removed that the Agricultural Society.
- 6.6 Sculpture at entrance to town needs to be removed.

**7. Next Meeting**

The next meeting will be held on Tuesday, 17 July 2018 commencing at 12.30pm in the Middle Meeting Room, Horsham Rural City Council Offices

**8. Meeting Close**

Gillian Vanderwaal

**Chairman**

**Horsham Tidy Towns Committee**

May 2017

## MINUTES

**Horsham Sports and Recreation Advisory Committee**  
**Meeting held on Thursday, 17 May 2018 at 4.30 pm**  
**Council Chambers – Horsham Rural City Council Offices**

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**Attendees:** David Berry Wimmera Regional Sports Assembly  
 Sue Exell Community Representative  
 Cr Mark Radford Councillor HRCC  
 Genevieve Smith Community Representative  
 John Martin Director Technical Services HRCC  
 Alethea Gulvin Councillor HRCC

**Apologies:** Susan Surridge Grants Officer HRCC  
 Christopher Walter Department of Education  
 Bruce Petering Community Representative  
 Loxley Hoffmann Community Representative  
 Neil King Community Representative  
 Michelle Anderson Sport & Recreation Victoria  
 Sue Newall Horsham Rural City Council

### 1. Welcome

### 2. Disclosure of Conflict of Interest

David – if there is any discussion in relation to the Wimmera Sports Stadium

### 3. Minutes of the previous meeting 22 February 2018

**Moved:** David Berry **Seconded:** Sue Exell that the minutes of the meeting 22 February were a true and accurate record of that meeting **CARRIED**

### 4. Administration

Committee vacancy – Junior Sports Council representative

First meeting to be held Tuesday 22 May. From that one male and one female student to be nominated to attend the next meeting of this committee.

Letter of thanks to Rhonda McNeil has been personally delivered

### 5. S&R Strategy

Discussion on scope of brief for the new strategy

- Ensure scope also includes:
  - Recreation
  - Women in sport
- John explained that this strategy should provide an overarching framework for facilities – there will be subordinate plans, e.g. the City Oval and Dudley Cornell Master Plans – these should inform and be informed by the S&R Strategy.

- Review the previous Strategy
  - What has / hasn't been done from this
  - Are there some key things to continue forward
- Need to consider short-medium term priorities, as well as the long-term vision
  - An inventory of sports requirements and facilities – a gap analysis
- The Committee will be invited to participate in an interim meeting to help develop the scope of the consultancy, in early-mid June

## 6. S&R Asset Management

### Tennis Courts

- John outlined the status of the legal action and a possible approach to remedy this. This will still take a long time.
- Some grants might be possible to offset the cost of restoration.
- John also outlined some planned communication

### Table Tennis

- Mark read a letter that Jeff Pekin had prepared about Table Tennis' future. The Club now has access to the former Italian Club, with the title being in the name of the Table Tennis Club.
- Work is required to renovate the building to a suitable condition, and so that it is also available for functions for fund-raising.
- The Club strongly supports a Wimmera Sports Stadium for Horsham. This is well overdue, and a further wait of 3-5 years is unpalatable.

### Wimmera Sports Stadium

- Key issues to be resolved are:
  - The position of the Basketball Association.
  - The geotechnical investigation of the site. Some further work, with Leigh Davies, is planned to review this.
  - Potential closure of McBryde Street. Some traffic analysis is occurring to inform this.
- A refined proposal has been developed for presentation to the PCG. This will be done in 2 weeks, to see if the PCG is comfortable about this updated proposal.
- Subject to the PCG's comments, an independent facilitated discussion with HABA is proposed to see if a resolution can be achieved, as they would be a key user of an overall complex.
- Some new sports are being considered for the Stadium, including
  - Futsal
  - Roller derby
  - Indoor shooting
  - Rock climbing
- A new steering committee of user groups might then be formed to further advance the project.
- Sue Exell advised that the "West Group" (not Council) has looked at a possible parcel of land in the Horsham West area, near Remlaw Rd / Jenkinson Ave / to Western Highway. An area of 81 acres has been identified.
- Genni mentioned the potential need for an indoor walking track. This is a further potential use of the Stadium. Also, parents with young children are

often looking for a suitable place for activity, where the children can be minded while playing sport.

## 7. S&R Funding/Grants

Refer to Susan's report. Applications submitted for:

- S&R Strategy – As discussed earlier – to engage a consultant.
- Sunnyside Synthetic Greens. JM also discussed the master plan briefly, and that consultation
- Second stage of the Aquatic Centre Master Plan – under Small Aquatics Project fund.
- Pimpinio second netball court application under the Country Football / Netball Program.

## 8. General Business

- A tennis coach will be coming to Horsham for a 3-year contract. Will be available for clubs. Sue is keen for lights to be installed at Haven to facilitate this coaching.
- A volleyball development officer has been engaged, based in Horsham. This will be a regional position operating at various locations in the broader region, as far as Mildura, Warrnambool, Ballarat and Bendigo.

## 9. Next Meeting

The next meeting will be held on Thursday, 16 August 2018 commencing at 4.30pm in the Council Chambers, Horsham Rural City Council Offices

## 10. Meeting Close Approx 5:45

Cr Mark Radford  
Acting Chairperson  
**Horsham Sports and Recreation Advisory Committee**

Signature: \_\_\_\_\_

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_





**Horsham Rural City**  
Council urban rural balance

# Council Policy

## PROCUREMENT POLICY

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## **1. PURPOSE**

The purpose of this Policy is to:

- provide policy and guidance to the Council to allow consistency and control over Procurement activities;
- demonstrate accountability to rate payers when procuring goods, services and works on behalf of Council;
- provide guidance on ethical behaviour in public sector purchasing;
- demonstrate the application of elements of best practice in purchasing; and
- increase the probability of obtaining the best outcome when procuring goods, services and works.

## **2. INTRODUCTION**

This Procurement Policy is made under Section 186A of the *Local Government Act 1989*.

This section of the Act requires the Council to prepare, approve and comply with a procurement policy encompassing the principles, processes and procedures applied to all purchases of goods, services and works by the Council.

This document contains the policy aspects of the requirements under the Act. and has been written with reference to the Victorian Local Government Best Practice Procurement Guidelines 2013.

Council retains the right to vary this policy, within the provisions of the *Local Government Act 1989*, by resolution when circumstances exist which are deemed to warrant a variation to the policy.

## **3. SCOPE**

This policy applies to all contracting and procurement activities at Council and is binding upon Councillors, Council officers, temporary employees, volunteers and members of Special Committees of Council under section 86 of the *Local Government Act*, contractors and consultants while engaged by the Council.

#### 4. DEFINITIONS

Term	Definition
Act	<i>Local Government Act 1989.</i>
Best Value	<p>Best Value in Procurement is about selecting the supply of goods, services and works taking into account both cost and non-cost factors including:</p> <ul style="list-style-type: none"> <li>• contribution to the advancement of the council’s priorities;</li> <li>• non-cost factors such as fitness for purpose, quality, service and support; and</li> <li>• cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.</li> </ul>
CEO	Chief Executive Officer of Horsham Rural City Council
Commercial in Confidence	Information that, if released, may prejudice the business dealings of a party e.g., prices, discounts, rebates, profits, methodologies and process information, etc.
Contract Management <sup>1</sup>	The process that ensures both parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the business and operational objectives required from the contract and in particular, to provide value for money.
Corporate Social Responsibility (CSR)	Corporate Social Responsibility (CSR) is about taking positive action to demonstrate the Council’s commitment to the local community and environment on which it impacts.
Council Staff	Includes full-time and part-time Council officers, and temporary employees, volunteers, contractors and consultants while engaged by the Council and Committees of Management under Section 86 of the Act.

Expression of Interest (EOI)	An invitation for persons to submit an EOI for the provision of the Goods and/or Services generally set out in the overview of requirements contained in the document. This Invitation is not an offer or a contract
Probity	The dictionary definition of probity refers to uprightness, honesty, proper and ethical conduct and propriety in dealings. Within government, the word "probity" is often used in a general sense to mean "good process." A Procurement process that conforms to the expected standards of probity is one in which clear and transparent procedures that are consistent with the Council's policies and legislation are established, understood and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably.
Procurement	Procurement is the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract.
Request for Tender	The process of inviting parties to submit a bid by tender using public advertisement, followed by evaluation of submissions and selection of a successful bidder or tenderer.
Social Procurement	Social Procurement uses Procurement processes and purchasing power to generate positive social outcomes in addition to the delivery of efficient goods, services and works.
Sustainability	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.

## 5. PRINCIPLES

### 5.1 Ethics and Probity

#### 5.1.1 Requirement

The Council's procurement activities shall be performed with integrity and in a manner able to withstand the closest possible scrutiny. Ethics and probity considerations should also take in to account the HRCC Councillor Code of Conduct and the HRCC Staff Code of Conduct.

#### 5.1.2 Conduct of Councillors and Council Staff

Councillors and Council staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and will:

- treat potential and existing suppliers with equality and fairness;
- not seek or receive personal gain;
- maintain confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- present the highest standards of professionalism and probity;
- comply with the respective codes of conduct
- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- be able to account for all decisions and provide feedback on them.

Council staff with responsibility for managing or supervising contracts are prohibited from performing any works in a private capacity, under the contract they are supervising.

#### 5.1.3 Members of Professional Bodies

Councillors and Council staff belonging to professional organisations shall, in addition to the obligations detailed in this policy, ensure that they adhere to any code of ethics or professional standards required by that body.

#### 5.1.4 Tender Processes

All tender processes shall be conducted in accordance with the requirements of this policy and any associated guidelines and procedures, relevant legislation, relevant Australian Standards and the Act. As of July 1 2017 Council will no longer accept hard copy tenders only electronic submissions will be accepted via the Tendersearch Portal via council's website.

### 5.1.5 Government Funding

Where funding has been sought and received through State and/or Federal Government to undertake projects, all procurement activities surrounding the expenditure of these funds must comply with this Policy. This applies to Council projects, Committee of Management projects and where Council has sought funding on behalf of a community group.

### 5.1.6 Conflict of Interest

Councillors and Council staff shall at all times avoid situations in which private interests conflict, or might reasonably be thought to conflict, or have the potential to conflict, with their Council duties.

Councillors and Council staff involved in the procurement process, in particular preparing tender documentation, including writing tender specifications, tender opening, and tender evaluation panels, must:

- **Avoid** conflicts, whether actual, potential or perceived, arising between their official duties and their private interests. Private interests include the financial and other interests of Councillors and Council Staff, plus their relatives and close associates
- **Declare** that there is no conflict of interest. Where future conflicts, or relevant private interests arise, Council Staff must make their manager, or the chairperson of the relevant tender assessment panel aware and allow them to decide whether the officer should continue to be involved in the specific Procurement exercise
- **Observe** prevailing Council and Victorian Government guidelines on how to prevent or deal with conflict of interest situations; and not take advantage of any tender related information whether or not for personal gain.

### 5.1.7 Fair and Honest Dealing

All prospective contractors and suppliers must be afforded an equal opportunity to tender or quote.

Impartiality must be maintained throughout the procurement process so it can withstand public scrutiny.

The commercial interests of existing and potential suppliers must be protected.

Confidentiality of information provided by existing and prospective suppliers must be maintained at all times, particularly commercially sensitive material such as, but not limited to prices, discounts, rebates, profit, manufacturing and product information.

### **5.1.8 Gifts and Hospitality**

No Councillor or member of Council staff shall, either directly or indirectly solicit or accept gifts or presents from any member of the public involved with any matter that is connected with the duties of the officer, or in which the Council is interested. Refer to Council Policy - Gifts and Hospitality on Council's website.

Councillors and Council staff must exercise the utmost discretion in accepting hospitality from contractors or their representatives, or from organisations, firms or individuals with whom they have official dealings. Councillors and Council staff should also avoid the ambiguous situation created by visiting the premises of a contractor, organisation, firm or individual uninvited and/or not on official business.

Offers of bribes, commissions or other irregular approaches from organisations or individuals (no matter how flimsy the evidence available), must be promptly brought to the attention of the Chief Executive Officer.

### **5.1.9 Disclosure of Information**

Commercial in-confidence information received by the Council must not be disclosed and is to be stored in a secure location.

Councillors and council staff are to protect, by refusing to release or discuss the following:

- Allocated Council budgets where information may prejudice the tender process (except where a council budget may be identified within the public budget documentation) ;
- information disclosed by organisations in tenders, quotations or during tender negotiations;
- all information that is Commercial in Confidence information; and
- pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.

Councillors and Council staff are to avoid references to current or proposed contracts in discussion with acquaintances or outside interests.

Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubt on what is being offered by that supplier.

Communication with potential suppliers re the tender in question, during the tendering process must be managed via the electronic portal. Councillors or Council staff must not have any direct communication with suppliers in relation to the specific tender, during this phase.

At no stage should any discussion be entered into which could have potential contractual implications prior to the contract approval process being finalised.

#### **5.1.10 Fraudulent and Corrupt Procurement**

Council is committed to combating Fraud and Corruption. All Council employees and representatives must take appropriate action to prevent and report suspected fraud or corruption particularly within their area of responsibility. Any suspected fraud or corruption must be reported immediately.

Reports of suspected fraud or corruption can be reported by making a protective disclosure under the *Protected Disclosures Act 2012* which will guarantee the Council employee or representative anonymity. Alternatively, concerns may be reported to the relevant Director or Chief Executive Officer.

### **5.2 Governance**

#### **5.2.1 Structure**

Council has in place a procurement management responsibility structure and delegations ensuring accountability, traceability and auditability of all procurement decisions made over the lifecycle of all goods, services and works procured by Council;

Council shall ensure that Councils' procurement structure:

- is flexible enough to purchase in a timely manner the diverse range of material, goods, works and services required by Council;
- ensures that prospective contractors and suppliers are afforded an equal opportunity to tender/quote;
- encourages competition.

#### **5.2.2 Standards**

The Council's procurement activities shall be carried out to the professional standards required by best practice and in compliance with:

- The Act,
- Council's policies,
- Council's Codes of Conduct,
- Local Government Best Practice Procurement Guidelines
- Other relevant legislative requirements such as but not limited to the *Trade Practices Act*, *Goods Act* the relevant provisions of the *Competition and Consumer Act 2010* and the *Environmental Protection Act*. Procurement operations are consistent with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.



### 5.2.3 Methods

Council's standard methods for purchasing goods, services and works shall be by some or all of the following methods:

- purchasing card;
- purchase order following a quotation process from suppliers for goods, services and works that represent best value for money under adopted quotation thresholds;
- under contract following a tender process or
- where practical, using collaborative or aggregated purchasing arrangements with other councils through Wimmera Regional Procurement Network, MAV Procurement, Procurement Australia, State Government Contracts, or other authorised bodies;
- Contracts entered into under an arrangement approved by the Minister for LG;

The Council may conduct one stage or multi-stage tenders.

Typically a multi-stage tender process will commence with an expression of interest stage followed by a tender process involving the organisations selected as a consequence of the expression of interest stage.

### 5.2.4 Responsible Financial Management

The principle of responsible financial management shall be applied to all procurement activities.

Accordingly, to give effect to this principle, the availability of existing funds within an approved budget, or source of funds, shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

Council staff must not authorise the expenditure of funds in excess of their financial delegations.

Council funds must be used efficiently and effectively to procure goods, services and works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this Policy.

## 5.3 Procurement Thresholds and Competition

### 5.3.1 Principles to be applied to the Procurement Process

#### Best Value

The benefits of the purchase are weighted against the costs necessary for the optimum result for the Council and local community. Council is not required to accept the lowest tender. Instead, Council is required to take into account issues of quality, cost, the accessibility of the service and other factors relevant to both the overall objectives of the *Local Government Act*.

Best Value is sometimes mistaken for meaning the lowest price, however, in terms of the contracting process, Best Value requires Council to balance quality and price with as much transparency as is reasonably achievable. In this context price should take into account the whole life cost of the procurement so far as is practicable. It follows that the delivery of Best Value is dependent upon Council priorities.

Achieving Best Value also requires *challenging* the need for the procurement and the way in which the service may be reconfigured to achieve improvements in service delivery, *comparing* service provision options against all those available, *consulting* with key stakeholders and ensuring *competition* in the open market.

Achieving Best Value for money must be the basis of all procurement decisions within Council.

### **Open and Fair Competition**

All suppliers are treated fairly in an open and transparent manner and have access to the same information. During a public tender process, all prospective providers must be afforded an opportunity to tender.

The commercial interests of suppliers and potential suppliers must be protected.

**Late tenders will not be accepted under any circumstances and will be deleted and not referred to the tender evaluation panel for review. Advice will be provided to the tenderer that the submission was late.**

### **Accountability**

Council maintains consistency in its approach to procurement across the whole organisation through coherent frameworks, policies and procedures. Accountability in procurement means being able to explain and provide evidence on the process followed. The test of accountability is that an independent third party must be able to see clearly that a process has been followed and that the process is fair and reasonable.

Therefore the processes by which all procurement activities are conducted will be in accordance with Council's procurement policies and procedures as set out in this policy and related, relevant Council policies and procedures.

Additionally:

- all Council staff must be able to account for all procurement decisions made over the lifecycle of all goods, services and works purchased by the Council and provide feedback on them; and
- all procurement activities are to provide for an audit trail for monitoring and reporting purposes.

### **Risk Management**

Council will manage all aspects of its procurement processes in accordance with its adopted Risk Management policy and in such a way that all risks, including occupational health and safety are identified, analysed, evaluated, managed, monitored and communicated.

### **Probity and Transparency**

Councillors and members of staff (and all persons engaged in procurement on Council's behalf) must exercise the highest standards of integrity in a manner able to withstand the closest possible scrutiny. All members of staff have an overriding responsibility to act impartially and with integrity, avoiding conflicts of interest.

#### **5.3.2 HRCC Purchasing Thresholds (Exclusive of GST)**

- \$1,000 to \$10,000 One quote required
- \$10,001 to \$40,000 Two written quotes required
- \$40,001 to \$80,000 Three written quotes required
- Any purchase greater than \$80,000 is subject to a public tender process

Procurement through contracts entered into via MAV Procurement or Procurement Australia are deemed to satisfy these purchasing thresholds. The Minister has granted approval for this under Section 186 (5)(c) of the Local Government Act 1989 on the basis that these contracts are selected following a competitive process and represent best value.

A quote is deemed to be acceptable for the purpose of determining the number of quotes sought, where the business requested to quote is a business that would normally provide the goods/services sought, but indicates in writing that they are unable to provide a quote at that time.

#### **5.3.3 Tenders**

Under Section 186a of the *Victorian Local Government Act*, all procurement (**inclusive of GST**) exceeding \$150,000 for goods or services and \$200,000 for works must be undertaken through a public tender process (Note GST is inclusive within the Act limits but Exclusive for Council's thresholds).

However, Council has adopted the position that all purchases of goods, services or works for which the estimated ***expenditure (exclusive of GST) exceeds \$80,000 must be undertaken by public tender.***

The tender thresholds shall apply based on aggregated spend over two financial accounting periods. It is a breach of this policy to separate a single supply or service into

parts with the purpose of issuing two or more orders which combined exceed procurement thresholds.

However, should the CEO consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for the Council, public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below these thresholds.

#### **5.3.4 Exemptions from Quotation/Tender Process**

If the required number of quotations cannot be obtained and the Chief Executive Officer or their delegate, determines that there are justifiable reasons for not continuing to seek the required number of quotations, then a complete explanation shall be recorded and attached to the appropriate Quotation Forms so that any queries from suppliers or other interested parties may be answered. Justifiable reasons approved by the Chief Executive Officer or their delegate include:

- (1) – where the need is extremely urgent and there is insufficient time to seek quotations;
- (2) – where there is a sole source of supply for the goods;
- (3) – where the officer has recently sought quotations from suppliers for a similar project/product and can validate that the source of supply will provide best value for money, and is certain that obtaining quotations would not be cost effective.

An exemption from quotations will also be granted where Council's acquisition is of a cultural or artistic nature i.e. a live show or art piece. In these circumstances the uniqueness of the acquisition prevents quotes from being obtained, however the relevant authorising limits will apply.

Approval to vary the tender processes where the threshold of \$80,000 will be exceeded may only be granted by the Chief Executive Officer. Under these circumstances, the Chief Executive Officer will authorise the procurement process through completing a Variation from Procurement Policy declaration form and lodging it with Council's Contracts Co-ordinator. A report must also be presented to Council advising of a departure from the policy and informing of justification. Copies of these documents are to be placed on the contract file.

#### **5.3.5 Purchases through Auctions**

Auctions are a potential alternative method for acquisition in some circumstances.

Ascertaining best value will be determined in the following manner:

- Background research must be done to determine the value of the product based on it being sourced from other suppliers, this may include formal quotations.
- The number of suppliers researched must be the same as the number of quotes required to be obtained as per this Policy, for the value of the product, if direct purchase was to occur.
- This research will be used to set a maximum bid.

Once compiled, the above information is to be submitted to the Chief Executive Officer for authorisation to proceed via auction, which may not necessarily be approved.

### **5.3.6 Cumulative purchasing calculation period**

For the purposes of calculating cumulative amounts from one supplier (or source), the totals for two financial years shall constitute the period limitation of such calculations.

## **5.4 Delegation of Authority**

The Delegations Register defines the limitations that the Chief Executive Officer has delegated to nominated Council staff to undertake procurement activities. Procurement delegations ensure accountability and provide confidence to council and the public that purchasing activities are dealt with at the appropriate level.

### **5.4.1 Council Staff**

Council shall maintain a register of procurement delegations, identifying the Council staff authorised to make such procurement commitments in respect of goods, services and works on behalf of the Council and their respective delegations of duties.

- Acceptance of tenders
- Acceptance of quotes
- Contract term extensions (within authorised budget)
- Contract variations (non-financial)
- Contract variations (financial)
- Appointment to register of pre-qualified suppliers
- Credit Card purchases
- Procedural exceptions

### **5.4.2 Delegations Reserved for the Council**

Commitments and processes which exceed the CEO's delegation and which must be approved by the council are:

- Sealing of contract documents, (Council does not require contracts to be sealed so this may only occur in exceptional circumstances)
- Tender recommendations and contract approvals that exceed the CEO's delegation.
- Variations and contract term extensions, which exceed the CEO's delegation
- Contract term extensions and annual supply contracts rates review.

## 5.5 Internal Controls

Council will install and maintain a framework of internal controls over procurement processes that will ensure:

- more than one person is involved in and responsible for a transaction end to end;
- transparency in the procurement process;
- a clearly documented audit trail exists for procurement activities;
- appropriate authorisations are obtained and documented; and
- systems are in place for appropriate monitoring and performance measurement.

## 5.6 Risk Management

### 5.6.1 General

Risk Management is to be appropriately applied at all stages of procurement activities which will be properly planned and carried out in a manner that will protect and enhance Council's capability to prevent, withstand and recover from interruption to the supply of goods, services and works.

### 5.6.2 Supply by Contract

The provision of goods, services and works by contract potentially exposes the Council to risk.

Council will minimise its risk exposure by measures such as:

- implementing a robust, systematic and unbiased tender evaluation and due diligence process;
- ensuring contractors have appropriate insurance, OHS plans and procedures, quality assurance, permits to work and other relevant practices in place;
- identify any potential risk associated with the project and take appropriate action to mitigate;
- requiring security deposits where appropriate;
- referring specifications to relevant experts;
- requiring all contractual documents to be lodged before the commencement of work;
- use of or reference to relevant Australian Standards (or equivalent); and
- effectively managing the contract including monitoring and enforcing performance.

## 5.7 Contract Terms

All contractual relationships must be documented in writing based on Australian standard terms and conditions, VicRoads Term and Conditions or a suite of Contract Terms and Conditions developed by Council's lawyers or solicitors. Special instructions included on a purchase order will also form part of the contractual terms.

To protect the best interests of the Council, terms and conditions must be settled in advance of any commitment being made with a supplier. Any exceptions to doing this expose the Council to risk.

### **5.8 Dispute Resolution**

All Council contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes getting out of hand and leading to legal action.

### **5.9 Contract Management**

The purpose of contract management is to ensure that the Council, and where applicable its clients, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract by:

- establishing a system monitoring and meeting the responsibilities and obligations of both parties' under the contract; and
- providing a means for the early recognition of issues and performance problems and the identification of solutions.
- adhering to relevant Occupational Health and Safety Contractor Compliance Procedures.

All Council contracts are to include contract management requirements. Furthermore, contracts are to be proactively managed by the Project Manager/ Contract Superintendent of the project for delivery of the contracted goods, services or works to ensure the council receives Value for Money.

### **5.10 New Suppliers**

New suppliers with prospective business in excess of \$150,000, the minimum checks will include:

- Search of Company register
- ABN verification
- Insurance certificate of currency

New contracts exceeding or potential to exceed, \$2.5 million, the following additional checks should be considered:

- Bankruptcy search
- Assessment of credit rating
- Search of legal proceedings pending or judgements pending

## 6. DEMONSTRATING SUSTAINED VALUE

### 6.1 Achieving Best Value

#### 6.1.1 Requirement

Council's procurement activities will be carried out on the basis of obtaining Best Value.

This means minimising the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations. Lowest price is not the sole determinant of Best Value.

#### 6.1.2 Approach

This will be facilitated by:

- developing, implementing and managing procurement strategies that support the co-ordination and streamlining of activities throughout the lifecycle;
- effective use of competition;
- using aggregated contracts where appropriate;
- identifying and rectifying inefficiencies in procurement processes;
- developing cost efficient tender processes including appropriate use of e-solutions;
- Council staff responsible for providing procurement services or assistance within the Council providing competent advice in terms of available products and agreements; and
- Working with suppliers to create relationships that are professional and productive, and are appropriate to the value and importance of the goods, services and works being acquired.

#### 6.1.3 Role of Specifications

The principle to be applied is that specifications should focus on outputs, solutions or outcomes rather than detailing inputs and process. They should be written clearly so as to allow prospective suppliers to offer to provide goods, services or works required by Council and accurately determine their costs, and so that council can avoid claims for variations. Specifications used in quotations, tenders and contracts are to support and contribute to Council's Best Value objectives through being written in a manner that:

- clearly defines the objective of the contract
- ensures impartiality and objectivity;
- clearly defines the Council's requirements;
- uses industry or Australian standards where practicable;
- encourages the use of standard products;



- encourages sustainability;
- eliminates unnecessarily stringent requirements

## **6.2 Corporate Social Responsibility**

Corporate Social Responsibility (CSR) is about taking positive action to demonstrate the Council's commitment to the local community and environment on which it impacts. This means the Council maximising the benefits of the services they provide across the community and minimising the negative aspects of their activities.

Social Procurement generates positive outcomes by building on initiatives already undertaken by the Council in enhancing sustainable and strategic procurement practice, further enabling procurement to effectively contribute towards building stronger communities and meeting the social objectives of the Council.

Council is committed to Social Procurement by:

- ensuring all procurement practices are sustainable and strategically aligned with the wider Council objectives
- achieving greater value for money across the community through the use of effective procurement
- ensuring all businesses have the same opportunity to tender for Council contracts
- where practical, enhancing partnerships with other Councils, suppliers and community stakeholders
- supporting procurement from local businesses where purchases can be justified on value for money grounds

## **6.3 Sustainable Procurement**

Council recognises it has an implicit role in furthering sustainable development, through its procurement of goods, and services and works.

In addition, Council recognises the potential impact this spend has on the environment and where applicable will integrate sustainability, environmental and social issues into the procurement process. Council aims to achieve this by:

- Taking into account the need to minimise greenhouse gas emissions and reducing the negative impacts of transportation when purchasing goods and services
- Taking steps to minimise carbon dioxide and other greenhouse gas emissions through the detailed consideration of products and services procured
- Considering the basic life cycle analysis of products to minimise the adverse effects on the environment resulting directly or indirectly from products
- Consider Fair-trade, or equivalent, and ethically sourced and produced goods and services
- Working with local suppliers to ensure they are encouraged to bid for Council's business in line with the Procurement Policy.
- Record and manage all procurement and contractual documentation including relevant correspondence through works and service delivery life-cycle, so that accessing any stored information, at any time, would be stream-lined.

## **6.4 Diversity**

Promoting equality through procurement can improve competition, Value for Money, the quality of public services, satisfaction among users, and community relations. Diversity should be a consideration in every procurement project and reflect corporate commitment to diversity and equal opportunities wherever possible.

## **6.5 Support of Local Business**

Council recognises that it is a major purchaser of goods, services and works and that its procurement practices have the potential to impact the local economy. Council will endeavour to support businesses and industries within the municipality where such purchases can be justified in achieving best value for money.

## **7. OTHER MATTERS**

### **7.1 Apply a Consistent and Standard Approach**

Council will provide effective and efficient commercial arrangements for the acquisition of goods and services.

### **7.2 Standard Processes**

Council will provide effective commercial arrangements covering for the acquisition of goods and services across the Council to enable employee's to source requirements in an efficient manner.

This will be achieved via establishing the following:

- Pricing where relevant
- Tools and business systems (e.g. e-tendering)
- Procurement Procedures Manual
- Reporting requirements
- Application of standard contract terms and conditions.

### **7.3 Management Information**

Council seeks to improve its performance by capturing and analysing procurement management information in a variety of areas, including:

- Volume of spend
- Number of transactions per supplier
- Compliance
- Supplier performance
- User satisfaction

#### **7.4 Build and Maintain Supply Relationships**

Council recognises that in order to achieve sustainable value, a strategic assessment of the appropriate 'channel to market' should be undertaken – whether to go to market on its own, participate in regional or sector aggregated projects or panels, access State Government panel agreements or other means. Council will consider supply arrangements that deliver the Best Value outcomes in terms of time, expertise, cost, value and outcome.

#### **7.5 Developing and Managing Suppliers**

Developing and managing suppliers is essential to achieving a competitive market capable of delivering the Council's services and works requirements.

Council needs to interact with the market and its suppliers in particular to understand their views and what enables and encourages diverse parts of the market to bid for work with Council. At the same time Council will ensure that its relationship with strategic suppliers is mutually productive and that goals are shared. Council aims to develop a relationship with suppliers that create mutually advantageous, flexible and long term relations based on the quality of performance and value for money.

#### **7.6 Relationship Management**

Council is committed to developing constructive long-term relationships with suppliers. It is important that Council identifies its key suppliers so that its efforts are focused to best effect. Such areas may include the size of spend across Council, criticality of goods / services, to the delivery of the council's services and availability of substitutes.

#### **7.7 Review Process**

Council endeavors to continually improve its procurement performance such that all relevant policies, guidance and training are continually reviewed and updated. The effectiveness of this approach will be measured and reported upon annually.

### **8. COMMUNICATION**

Under Section 186A of the *Local Government Act 1989* this Policy must be available for public inspection. The Policy is published on Council's website at [www.hrcc.vic.gov.au](http://www.hrcc.vic.gov.au) or a hard copy can be made available for collection from the main customer service area, Municipal Offices, 18 Roberts Avenue, Horsham.

### **9. RESPONSIBILITY**

**Policy Owner:** Director Corporate Services

**10. SUPPORTING DOCUMENTS**

<b>Document</b>	<b>Location</b>
Victorian local Government – Best practice Procurement Guidelines - 2013	www.dpcc.vic.gov.au
Staff Code of Conduct	Intranet
Councillor Code of Conduct	HRCC Website
HRCC Fraud and Corruption Policy	Intranet
HRCC Records Management Policy	Intranet

**11. DOCUMENT CONTROL**

<b>Version Number</b>	<b>Approval Date</b>	<b>Approval By</b>	<b>Amendment</b>	<b>Review Date</b>
04	16 Dec 13	Council	Yearly revision and conversion to New Policy Framework	
05	01 Jun 15	Council	Yearly Revision	
06	06 Jun 16	Council	Yearly Revision	
07	15 May 17	Council	Yearly Revision	15 May 2018
08	12 Jun 18	Council	Yearly Revision	15 May 2019



**Horsham Rural City**  
Council urban rural balance

# Council Policy

## PROCUREMENT POLICY

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## 1. PURPOSE

The purpose of this Policy is to:

- provide policy and guidance to the Council to allow consistency and control over Procurement activities;
- demonstrate accountability to rate payers when procuring goods, services and works on behalf of Council;
- provide guidance on ethical behaviour in public sector purchasing;
- demonstrate the application of elements of best practice in purchasing; and
- increase the probability of obtaining the best outcome when procuring goods, services and works.

## 2. INTRODUCTION

This Procurement Policy is made under Section 186A of the *Local Government Act 1989*.

This section of the Act requires the Council to prepare, approve and comply with a procurement policy encompassing the principles, processes and procedures applied to all purchases of goods, services and works by the Council.

This document contains the policy aspects of the requirements under the Act. and has been written with reference to the Victorian Local Government Best Practice Procurement Guidelines 2013.

Council retains the right to vary this policy, within the provisions of the *Local Government Act 1989*, by resolution when circumstances exist which are deemed to warrant a variation to the policy.

## 3. SCOPE

This policy applies to all contracting and procurement activities at Council and is binding upon Councillors, Council officers, temporary employees, volunteers and members of Special Committees of Council under section 86 of the *Local Government Act*, contractors and consultants while engaged by the Council.

## 4. DEFINITIONS

Term	Definition
Act	<i>Local Government Act 1989.</i>
Best Value	<p>Best Value in Procurement is about selecting the supply of goods, services and works taking into account both cost and non-cost factors including:</p> <ul style="list-style-type: none"> <li>• contribution to the advancement of the council's priorities;</li> <li>• non-cost factors such as fitness for purpose, quality, service and support; and</li> <li>• cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.</li> </ul>
CEO	Chief Executive <u>Officer</u> of Horsham Rural City Council
Commercial in Confidence	Information that, if released, may prejudice the business dealings of a party e.g., prices, discounts, rebates, profits, methodologies and process information, etc.
Contract Management <sup>1</sup>	The process that ensures both parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the business and operational objectives required from the contract and in particular, to provide value for money.
Corporate Social Responsibility (CSR)	Corporate Social Responsibility (CSR) is about taking positive action to demonstrate the Council's commitment to the local community and environment on which it impacts.
Council Staff	Includes full-time and part-time Council officers, and temporary employees, volunteers, contractors and consultants while engaged by the Council and Committees of Management under Section 86 of the Act.

Expression of Interest (EOI)	An invitation for persons to submit an EOI for the provision of the Goods and/or Services generally set out in the overview of requirements contained in the document. This Invitation is not an offer or a contract
Probity	The dictionary definition of probity refers to uprightness, honesty, proper and ethical conduct and propriety in dealings. Within government, the word "probity" is often used in a general sense to mean "good process." A Procurement process that conforms to the expected standards of probity is one in which clear and transparent procedures that are consistent with the Council's policies and legislation are established, understood and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably.
Procurement	Procurement is the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract.
Request for Tender	The process of inviting parties to submit a bid by tender using public advertisement, followed by evaluation of submissions and selection of a successful bidder or tenderer.
Social Procurement	Social Procurement uses Procurement processes and purchasing power to generate positive social outcomes in addition to the delivery of efficient goods, services and works.
Sustainability	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.



## 5. PRINCIPLES

### 5.1 Ethics and Probity

#### 5.1.1 Requirement

The Council's procurement activities shall be performed with integrity and in a manner able to withstand the closest possible scrutiny. Ethics and probity considerations should also take in to account the HRCC Councillor Code of Conduct and the HRCC Staff Code of Conduct.

#### 5.1.2 Conduct of Councillors and Council Staff

Councillors and Council staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and will:

- treat potential and existing suppliers with equality and fairness;
- not seek or receive personal gain;
- maintain confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- present the highest standards of professionalism and probity;
- comply with the respective codes of conduct
- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- be able to account for all decisions and provide feedback on them.

Council staff with responsibility for managing or supervising contracts are prohibited from performing any works in a private capacity, under the contract they are supervising.

#### 5.1.3 Members of Professional Bodies

Councillors and Council staff belonging to professional organisations shall, in addition to the obligations detailed in this policy, ensure that they adhere to any code of ethics or professional standards required by that body.

#### 5.1.4 Tender Processes

All tender processes shall be conducted in accordance with the requirements of this policy and any associated guidelines and procedures, relevant legislation, relevant Australian Standards and the Act. As of July 1 2017 Council will no longer accept hard copy tenders only electronic submissions will be accepted via the Tendersearch Portal via council's website.

### 5.1.5 Government Funding

Where funding has been sought and received through State and/or Federal Government to undertake projects, all procurement activities surrounding the expenditure of these funds must comply with this Policy. This applies to Council projects, Committee of Management projects and where Council has sought funding on behalf of a community group.

### 5.1.6 Conflict of Interest

Councillors and Council staff shall at all times avoid situations in which private interests conflict, or might reasonably be thought to conflict, or have the potential to conflict, with their Council duties.

Councillors and Council staff involved in the procurement process, in particular preparing tender documentation, including writing tender specifications, tender opening, and tender evaluation panels, must:

- **Avoid** conflicts, whether actual, potential or perceived, arising between their official duties and their private interests. Private interests include the financial and other interests of Councillors and Council Staff, plus their relatives and close associates
- **Declare** that there is no conflict of interest. Where future conflicts, or relevant private interests arise, Council Staff must make their manager, or the chairperson of the relevant tender assessment panel ~~or board~~ aware and allow them to decide whether the officer should continue to be involved in the specific Procurement exercise
- **Observe** prevailing Council and Victorian Government guidelines on how to prevent or deal with conflict of interest situations; and not take advantage of any tender related information whether or not for personal gain.

### 5.1.7 Fair and Honest Dealing

All prospective contractors and suppliers must be afforded an equal opportunity to tender or quote.

Impartiality must be maintained throughout the procurement process so it can withstand public scrutiny.

The commercial interests of existing and potential suppliers must be protected.

Confidentiality of information provided by existing and prospective suppliers must be maintained at all times, particularly commercially sensitive material such as, but not limited to prices, discounts, rebates, profit, manufacturing and product information.

#### **5.1.8 Gifts and Hospitality**

No Councillor or member of Council staff shall, either directly or indirectly solicit or accept gifts or presents from any member of the public involved with any matter that is connected with the duties of the officer, or in which the Council is interested. Refer to Council Policy - Gifts and Hospitality on Council's website.

Councillors and Council staff must exercise the utmost discretion in accepting hospitality from contractors or their representatives, or from organisations, firms or individuals with whom they have official dealings. Councillors and Council staff should also avoid the ambiguous situation created by visiting the premises of a contractor, organisation, firm or individual uninvited and/or not on official business.

Offers of bribes, commissions or other irregular approaches from organisations or individuals (no matter how flimsy the evidence available), must be promptly brought to the attention of the Chief Executive Officer.

#### **5.1.9 Disclosure of Information**

Commercial in-confidence information received by the Council must not be disclosed and is to be stored in a secure location.

Councillors and council staff are to protect, by refusing to release or discuss the following:

- Allocated Council budgets where information may prejudice the tender process (except where a council budget may be identified within the public budget documentation) ;
- information disclosed by organisations in tenders, quotations or during tender negotiations;
- all information that is Commercial in Confidence information; and
- pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.

Councillors and Council staff are to avoid references to current or proposed contracts in discussion with acquaintances or outside interests.

Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubt on what is being offered by that supplier.

All ~~e~~Communication with potential suppliers re the tender in question, during the tendering process must be managed via the electronic portal. Councillors or Council staff must not have any direct communication with suppliers in relation to the specific tender, during this phase.

At no stage should any discussion be entered into which could have potential contractual implications prior to the contract approval process being finalised.

#### **5.1.10 Fraudulent and Corrupt Procurement**

Council is committed to combating Fraud and Corruption. All Council employees and representatives must take appropriate action to prevent and report suspected fraud or corruption particularly within their area of responsibility. Any suspected fraud or corruption must be reported immediately.

Reports of suspected fraud or corruption can be reported by making a protective disclosure under the *Protected Disclosures Act 2012* which will guarantee the Council employee or representative anonymity. Alternatively, concerns may be reported to the relevant Director or Chief Executive Officer.

### **5.2 Governance**

#### **5.2.1 Structure**

Council ~~shall establish~~ has in place a procurement management responsibility structure and delegations ensuring accountability, traceability and auditability of all procurement decisions made over the lifecycle of all goods, services and works procured by Council;

Council shall ensure that Councils' procurement structure:

- is flexible enough to purchase in a timely manner the diverse range of material, goods, works and services required by Council;
- ensures that prospective contractors and suppliers are afforded an equal opportunity to tender/quote;
- encourages competition.

#### **5.2.2 Standards**

The Council's procurement activities shall be carried out to the professional standards required by best practice and in compliance with:

- The Act,
- ~~The~~ Council's policies,
- ~~The~~ Council's Codes of Conduct,
- Local Government Best Practice Procurement Guidelines

- Other relevant legislative requirements such as but not limited to the *Trade Practices Act*, *Goods Act* the relevant provisions of the *Competition and Consumer Act 2010* and the *Environmental Protection Act*. Procurement operations are consistent with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

### 5.2.3 Methods

Council's standard methods for purchasing goods, services and works shall be by some or all of the following methods:

- purchasing card;
- purchase order following a quotation process from suppliers for goods, services and works that represent best value for money under adopted quotation thresholds;
- under contract following a tender process or
- where practical, using collaborative or aggregated purchasing arrangements with other councils through Wimmera Regional Procurement Network, MAV Procurement, Procurement Australia, State Government Contracts, or other authorised bodies;
- Contracts entered into under an arrangement approved by the Minister for LG;

The Council may conduct one stage or multi-stage tenders.

Typically a multi-stage tender process will commence with an expression of interest stage followed by a tender process involving the organisations selected as a consequence of the expression of interest stage.

### 5.2.4 Responsible Financial Management

The principle of responsible financial management shall be applied to all procurement activities.

Accordingly, to give effect to this principle, the availability of existing funds within an approved budget, or source of funds, shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

Council staff must not authorise the expenditure of funds in excess of their financial delegations.

Council funds must be used efficiently and effectively to procure goods, services and works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this Policy.

### 5.3 Procurement Thresholds and Competition

#### 5.3.1 Principles to be applied to the Procurement Process

##### Best Value

The benefits of the purchase are weighted against the costs necessary for the optimum result for the Council and local community. Council is not required to accept the lowest tender. Instead, Council is required to take into account issues of quality, cost, the accessibility of the service and other factors relevant to both the overall objectives of the *Local Government Act*.

Best Value is ~~often~~ sometimes mistaken for meaning the lowest price, however, in terms of the contracting process, Best Value requires ~~us~~ Council to balance quality and price with as much transparency as is reasonably achievable. In this context price should take into account the whole life cost of the procurement so far as is practicable. It follows that the delivery of Best Value is dependent upon Council priorities.

Achieving Best Value also requires *challenging* the need for the procurement and the way in which the service may be reconfigured to achieve improvements in service delivery, *comparing* service provision options against all those available, *consulting* with key stakeholders and ensuring *competition* in the open market.

Achieving Best Value for money must be the basis of all procurement decisions within Council.

##### Open and Fair Competition

All suppliers are treated fairly in an open and transparent manner and have access to the same information. During a public tender process, all prospective providers must be afforded an opportunity to tender.

The commercial interests of suppliers and potential suppliers must be protected.

**Late tenders will not be accepted under any circumstances and will be deleted and not referred to the tender evaluation panel for review. Advice will be provided to the tenderer that the submission was late.**

##### Accountability

Council maintains consistency in its approach to procurement across the whole organisation through coherent frameworks, policies and procedures. Accountability in procurement means being able to explain and provide evidence on the process followed. The test of accountability is that an independent third party must be able to see clearly that a process has been followed and that the process is fair and reasonable.

Therefore the processes by which all procurement activities are conducted will be in accordance with Council's procurement policies and procedures as set out in this policy and related, relevant Council policies and procedures.

Additionally:

- all Council staff must be able to account for all procurement decisions made over the lifecycle of all goods, services and works purchased by the Council and provide feedback on them; and
- all procurement activities are to provide for an audit trail for monitoring and reporting purposes.

### **Risk Management**

Council will manage all aspects of its procurement processes in accordance with its adopted Risk Management policy and in such a way that all risks, including occupational health and safety are identified, analysed, evaluated, managed, monitored and communicated.

### **Probity and Transparency**

Councillors and members of staff (and all persons engaged in procurement on Council's behalf) must exercise the highest standards of integrity in a manner able to withstand the closest possible scrutiny. All members of staff have an overriding responsibility to act impartially and with integrity, avoiding conflicts of interest.

#### **5.3.2 HRCC Purchasing Thresholds (Exclusive of GST)**

- \$1,000 to \$10,000 One quote required
- \$10,001 to \$40,000 Two written quotes required
- \$40,001 to \$80,000 Three written quotes required
- Any purchase greater than \$80,000 is subject to a public tender process

Procurement through contracts entered into via MAV Procurement or Procurement Australia are deemed to satisfy these purchasing thresholds. The Minister has granted

approval for this under Section 186 (5)(c) of the Local Government Act 1989 on the basis that these contracts are selected following a competitive process and represent best value.

A quote is deemed to be acceptable for the purpose of determining the number of quotes sought, where the business requested to quote is a business that would normally provide the goods/services sought, but indicates in writing that they are unable to provide a quote at that time.

### 5.3.3 Tenders

Under Section 186a of the *Victorian Local Government Act*, all procurement (**inclusive of GST**) exceeding \$150,000 for goods or services and \$200,000 for works must be undertaken through a public tender process ([Note GST is inclusive within the Act limits but Exclusive for Council's thresholds](#)).

However, Council has adopted the position that all purchases of goods, services or works for which the estimated **expenditure (~~ex~~clusive of GST) exceeds \$80,000 must be undertaken by public tender.**

The tender thresholds shall apply based on aggregated spend over two financial accounting periods. It is a breach of this policy to separate a single supply or service into parts with the purpose of issuing two or more orders which combined exceed procurement thresholds.

However, should the CEO consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for the Council, public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below these thresholds.

### 5.3.4 Exemptions from Quotation/Tender Process

If the required number of quotations cannot be obtained and the Chief Executive Officer or their delegate, determines that there are justifiable reasons for not continuing to seek the required number of quotations, then a complete explanation shall be recorded and attached to the appropriate Quotation Forms so that any queries from suppliers or other interested parties may be answered. Justifiable reasons approved by the Chief Executive Officer or their delegate include:

- (1) – where the need is extremely urgent and there is insufficient time to seek quotations;
- (2) – where there is a sole source of supply for the goods;



(3) – where the officer has recently sought quotations from suppliers for a similar project/[product](#) and can validate that the source of supply will provide best value for money, and is certain that obtaining quotations would not be cost effective.

An exemption from quotations will also be granted where Council’s acquisition is of a cultural or artistic nature i.e. a live show or art piece. In these circumstances the uniqueness of the acquisition prevents quotes from being obtained, however the relevant authorising limits will apply.

Approval to vary the tender processes where the threshold of \$80,000 will be exceeded may only be granted by the Chief Executive [Officer](#). Under these circumstances, the Chief Executive [Officer](#) will authorise the procurement process through completing a Variation from Procurement Policy declaration form and lodging it with Council’s Contracts Co-ordinator. A report must also be presented to Council advising of a departure from the policy and informing of justification. Copies of these documents are to be placed on the contract file.

### 5.3.5 Purchases through Auctions

Auctions are a ~~unique potential~~ alternative method for acquisition [in some circumstances](#).

Ascertaining best value will be determined in the following manner:

- Background research must be done to determine the value of the product based on it being sourced from other suppliers, this may include formal quotations.
- The number of suppliers researched must be the same as the number of quotes required to be obtained as per this Policy, for the value of the product, if direct purchase was to occur.
- This research will be used to set a maximum bid.

Once compiled, the above information is to be submitted to the Chief Executive [Officer](#) for authorisation to proceed via auction, which may not necessarily be approved.

### 5.3.6 Cumulative purchasing calculation period

For the purposes of calculating cumulative amounts from one supplier (or source), the totals for two financial years shall constitute the period limitation of such calculations.

## 5.4 Delegation of Authority

The Delegations Register defines the limitations that the Chief Executive [Officer](#) has delegated to nominated Council staff to undertake procurement activities. Procurement delegations ensure accountability and provide confidence to council and the public that purchasing activities are dealt with at the appropriate level.

### 5.4.1 Council Staff

Council shall maintain a register of procurement delegations, identifying the Council staff authorised to make such procurement commitments in respect of goods, services and works on behalf of the Council and their respective delegations of duties.

- Acceptance of tenders
- Acceptance of quotes
- Contract term extensions (within authorised budget)
- Contract variations (non-financial)
- Contract variations (financial)
- Appointment to register of pre-qualified suppliers
- Credit Card purchases
- Procedural exceptions

#### **5.4.2 Delegations Reserved for the Council**

Commitments and processes which exceed the CEO's delegation and which must be approved by the council are:

- Sealing of contract documents, (Council does not require contracts to be sealed so this may only occur in exceptional circumstances)
- Tender recommendations and contract approvals that exceed the CEO's delegation.
- ~~Tender recommendations and Contract approval for all expenditure (inclusive of GST) over \$150,000 for Goods & Services and \$200,000 for works.~~
- Variations and contract term extensions, which exceed the CEO's delegation
- Contract term extensions and annual supply contracts rates review.

### **5.5 Internal Controls**

Council will install and maintain a framework of internal controls over procurement processes that will ensure:

- more than one person is involved in and responsible for a transaction end to end;
- transparency in the procurement process;
- a clearly documented audit trail exists for procurement activities;
- appropriate authorisations are obtained and documented; and
- systems are in place for appropriate monitoring and performance measurement.

### **5.6 Risk Management**

#### **5.6.1 General**

Risk Management is to be appropriately applied at all stages of procurement activities which will be properly planned and carried out in a manner that will protect and

enhance Council's capability to prevent, withstand and recover from interruption to the supply of goods, services and works.

### **5.6.2 Supply by Contract**

The provision of goods, services and works by contract potentially exposes the Council to risk.

Council will minimise its risk exposure by measures such as:

- implementing a robust, systematic and unbiased tender evaluation and due diligence process;
- ensuring contractors have appropriate insurance, OHS plans and procedures, quality assurance, permits to work and other relevant practices in place;
- identify any potential risk associated with the project and take appropriate action to mitigate;
- requiring security deposits where appropriate;
- referring specifications to relevant experts;
- requiring all contractual documents to be lodged before the commencement of work;
- use of or reference to relevant Australian Standards (or equivalent); and
- effectively managing the contract including monitoring and enforcing performance.

### **5.7 Contract Terms**

All contractual relationships must be documented in writing based on Australian standard terms and conditions, VicRoads Term and Conditions or a suite of Contract Terms and Conditions developed by Council's lawyers or solicitors. Special instructions included on a purchase order will also form part of the contractual terms.

To protect the best interests of the Council, terms and conditions must be settled in advance of any commitment being made with a supplier. Any exceptions to doing this expose the Council to risk.

### **5.8 Dispute Resolution**

All Council contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes getting out of hand and leading to legal action.

### **5.9 Contract Management**

The purpose of contract management is to ensure that the Council, and where applicable its clients, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract by:

- establishing a system monitoring and meeting the responsibilities and obligations of both parties' under the contract; and
- providing a means for the early recognition of issues and performance problems and the identification of solutions.
- adhering to relevant Occupational Health and Safety Contractor Compliance Procedures.

All Council contracts are to include contract management requirements. Furthermore, contracts are to be proactively managed by the Project Manager/ Contract Superintendent of the project for delivery of the contracted goods, services or works to ensure the council receives Value for Money.

### **5.10 New Suppliers**

New suppliers with prospective business in excess of \$150,000, the minimum checks will include:

- Search of Company register
- ABN verification
- Insurance certificate of currency

New contracts exceeding or potential to exceed, \$2.5 million, the following additional checks should be considered:

- Bankruptcy search
- Assessment of credit rating
- Search of legal proceedings pending or judgements pending

## **6. DEMONSTRATING SUSTAINED VALUE**

### **6.1 Achieving Best Value**

#### **6.1.1 Requirement**

Council's procurement activities will be carried out on the basis of obtaining Best Value.

This means minimising the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations. Lowest price is not the sole determinant of Best Value.

#### **6.1.2 Approach**

This will be facilitated by:

- developing, implementing and managing procurement strategies that support the co-ordination and streamlining of activities throughout the lifecycle;
- effective use of competition;
- using aggregated contracts where appropriate;
- identifying and rectifying inefficiencies in procurement processes;
- developing cost efficient tender processes including appropriate use of e-solutions;
- Council staff responsible for providing procurement services or assistance within the Council providing competent advice in terms of available products and agreements; and
- Working with suppliers to create relationships that are professional and productive, and are appropriate to the value and importance of the goods, services and works being acquired.

### **6.1.3 Role of Specifications**

The principle to be applied is that specifications should focus on outputs, solutions or outcomes rather than detailing inputs and process. They should be written clearly so as to allow prospective suppliers to offer to provide goods, services or works required by Council and accurately determine their costs, and so that council can avoid claims for variations. Specifications used in quotations, tenders and contracts are to support and contribute to Council's Best Value objectives through being written in a manner that:

- clearly defines the objective of the contract
- ensures impartiality and objectivity;
- clearly defines the Council's requirements;
- uses industry or Australian standards where practicable;
- encourages the use of standard products;
- encourages sustainability;
- eliminates unnecessarily stringent requirements

### **6.2 Corporate Social Responsibility**

Corporate Social Responsibility (CSR) is about taking positive action to demonstrate the Council's commitment to the local community and environment on which it impacts. This means the Council maximising the benefits of the services they provide across the community and minimising the negative aspects of their activities.

Social Procurement generates positive outcomes by building on initiatives already undertaken by the Council in enhancing sustainable and strategic procurement practice,

further enabling procurement to effectively contribute towards building stronger communities and meeting the social objectives of the Council.

Council is committed to Social Procurement by:

- ensuring all procurement practices are sustainable and strategically aligned with the wider Council objectives
- achieving greater value for money across the community through the use of effective procurement
- ensuring all businesses have the same opportunity to tender for Council contracts
- where practical, enhancing partnerships with other Councils, suppliers and community stakeholders
- supporting procurement from local businesses where purchases can be justified on value for money grounds

### **6.3 Sustainable Procurement**

Council recognises it has an implicit role in furthering sustainable development, through its procurement of goods, and services and works.

In addition, Council recognises the potential impact this spend has on the environment and where applicable will integrate sustainability, environmental and social issues into the procurement process. Council aims to achieve this by:

- Taking into account the need to minimise greenhouse gas emissions and reducing the negative impacts of transportation when purchasing goods and services
- Taking steps to minimise carbon dioxide and other greenhouse gas emissions through the detailed consideration of products and services procured
- Considering the basic life cycle analysis of products to minimise the adverse effects on the environment resulting directly or indirectly from products
- Consider Fair-trade, or equivalent, and ethically sourced and produced goods and services
- Working with local suppliers to ensure they are encouraged to bid for Council's business in line with the Procurement Policy.
- Record and manage all procurement and contractual documentation including relevant correspondence through works and service delivery life-cycle, so that accessing any stored information, at any time, would be stream-lined.

### **6.4 Diversity**

Promoting equality through procurement can improve competition, Value for Money, the quality of public services, satisfaction among users, and community relations. Diversity should be a consideration in every procurement project and reflect corporate commitment to diversity and equal opportunities wherever possible.

### **6.5 Support of Local Business**

Council recognises that it is a major purchaser of goods, services and works and that its procurement practices have the potential to impact the local economy. Council will endeavour to support businesses and industries within the municipality where such purchases can be justified in achieving best value for money.

## **7. OTHER MATTERS**

### **7.1 Apply a Consistent and Standard Approach**

Council will provide effective and efficient commercial arrangements for the acquisition of goods and services.

### **7.2 Standard Processes**

Council will provide effective commercial arrangements covering for the acquisition of goods and services across the Council to enable employee's to source requirements in an efficient manner.

This will be achieved via establishing the following:

- Pricing where relevant
- Tools and business systems (e.g. e-tendering)
- Procurement Procedures Manual
- Reporting requirements
- Application of standard contract terms and conditions.

### **7.3 Management Information**

Council seeks to improve its performance by capturing and analysing procurement management information in a variety of areas, including:

- Volume of spend
- Number of transactions per supplier
- Compliance
- Supplier performance
- User satisfaction

### **7.4 Build and Maintain Supply Relationships**

Council recognises that in order to achieve sustainable value, a strategic assessment of the appropriate 'channel to market' should be undertaken – whether to go to market on its own, participate in regional or sector aggregated projects or panels, access State Government panel agreements or other means. Council will consider supply arrangements that deliver the Best Value outcomes in terms of time, expertise, cost, value and outcome.

### 7.5 Developing and Managing Suppliers

Developing and managing suppliers is essential to achieving a competitive market capable of delivering the Council's services and works requirements.

Council needs to interact with the market and its suppliers in particular to understand their views and what enables and encourages diverse parts of the market to bid for work with Council. At the same time Council will ensure that its relationship with strategic suppliers is mutually productive and that goals are shared. Council aims to develop a relationship with suppliers that create mutually advantageous, flexible and long term relations based on the quality of performance and value for money.

### 7.6 Relationship Management

Council is committed to developing constructive long-term relationships with suppliers. It is important that Council identifies its key suppliers so that its efforts are focused to best effect. Such areas may include the size of spend across Council, criticality of goods / services, to the delivery of the council's services and availability of substitutes.

### 7.7 Review Process

Council endeavors to continually improve its procurement performance such that all relevant policies, guidance and training are continually reviewed and updated. The effectiveness of this approach will be measured and reported upon annually.

## 8. COMMUNICATION

Under Section 186A of the *Local Government Act 1989* this Policy must be available for public inspection. The Policy is published on Council's website at [www.hrcc.vic.gov.au](http://www.hrcc.vic.gov.au) or a hard copy can be made available for collection from the main customer service area, Municipal Offices, 18 Roberts Avenue, Horsham.

## 9. RESPONSIBILITY

**Policy Owner:** Director Corporate Services

## 10. SUPPORTING DOCUMENTS

Document	Location
Victorian local Government – Best practice Procurement Guidelines - 2013	<a href="http://www.dpcd.voc.gov.au">www.dpcd.voc.gov.au</a>



Staff Code of Conduct	Intranet
Councillor Code of Conduct	HRCC Website
HRCC Fraud and Corruption Policy	Intranet
HRCC Records Management Policy	Intranet

## 11. DOCUMENT CONTROL

Version Number	Approval Date	Approval By	Amendment	Review Date
04	16 Dec 13	Council	Yearly revision and conversion to New Policy Framework	
05	01 Jun 15	Council	Yearly Revision	
06	06 Jun 16	Council	Yearly Revision	
07	15 May 17	Council	Yearly Revision	15 May 2018
<a href="#">08</a>	<a href="#">12 Jun 18</a>	<a href="#">Council</a>	<a href="#">Yearly Revision</a>	<a href="#">15 May 2019</a>

(SA, Farming)

**Farming** means—

- (a) cultivating, propagating and harvesting plants or fungi or their products or parts, including seeds, spores, bulbs or the like, but does not include forestry; or
  - (b) maintaining animals in any physical environment for the purposes of—
    - (i) breeding them; or
    - (ii) selling them; or
    - (iii) acquiring and selling their bodily produce such as milk, wool, eggs or the like; or
  - (c) a combination of (a) and (b),
- but does not include forestry or maintaining animals for sport or recreational purposes.

(SA, Farm building)

**Farm building** means a Class 7 or 8 building located on land primarily used for *farming*—

- (a) that is—
  - (i) used in connection with *farming*; or
  - (ii) used primarily to store one or more *farm vehicles*; or
  - (iii) a combination of (i) and (ii); and
- (b) in which the total number of persons accommodated at any time does not exceed one person per 200 m<sup>2</sup> of *floor area* or part thereof, up to a maximum of 8 persons; and
- (c) with a total *floor area* of not more than 3500 m<sup>2</sup>.

(SA, Farm shed)

**Farm shed** means a single *storey* Class 7 or 8 building located on land primarily used for *farming*—

- (a) that is—
  - (i) used in connection with *farming*; or
  - (ii) used primarily to store one or more *farm vehicles*; or
  - (iii) a combination of (i) and (ii); and
- (b) occupied neither frequently nor for extended periods by people; and
- (c) in which the total number of persons accommodated at any time does not exceed 2; and
- (d) with a total *floor area* of more than 500 m<sup>2</sup> but not more than 2000 m<sup>2</sup>.

(SA, Farm vehicle)

**Farm vehicle** means a vehicle used in connection with *farming*.

**Fire brigade** means a statutory authority constituted under an Act of Parliament having as one of its functions, the protection of life and property from fire and other emergencies.

## APPLICATION FOR COUNCIL EXEMPTION

Building Regulation 280 – To exempt a Class 10 building on farm land from any or all of the Building Regulations.

An application will only be considered for Class 10 farm buildings less than 500 m<sup>2</sup> in floor area.

### To: Building Surveyor

Property Details (details from property title)							
No.	Street					City/Area	
Lot	LP/PS	Volume	Folio	CA	Section	Parish	County
Municipal District: <b>Horsham Rural City Council</b>					Allotment area		m <sup>2</sup>

### Owner of Land

Owner

Postal Address

Contact Person

Tel No.

Fax No.

Email Address

**Proposed Use of the Building** (Clearly indicate entire use, eg storage for stock feed or animals, storage for farm machinery, commercial farm activities, selling product for profit)

### Signature (Agent/Owner)

Signature

Date

### Information Required for Application to be Considered

- Scaled site plans, floor plan and elevations
  Copy of Title, including Title Plan
  Any relevant supportive information

### Notes

- Building Regulation 280 provides Council with the discretion to exempt a Class 10 building (on a case by case basis) to be constructed on farm land and used for farming purposes from all or any of the requirements of the Building Regulations – an exemption will only be considered for a Farm Building up to a maximum floor area of 500 m<sup>2</sup>
- If the relevant Council grants an exemption from all of the Regulations, a Building Permit and Certificate of Final Inspection under the Building Act 1993 are not required for that building.
- If an exemption is granted, a Planning Permit may still be required for the use, or development of the building. You will be advised if a Planning Permit is required.
- It is an offence under Section 246 of the Act for an applicant applying for an exemption to provide false or misleading information to Council about the proposed use of a building;
- Where the use of the building changes after it has been constructed, Regulation 229 applies, which requires the building to comply with the requirements for the new use. Examples of what this would mean in practice ie that if it was proposed to use the exempted shed for a Class 7 or 8 use, before any change to that use, a building permit would be required and work would need to be carried out to bring the building into compliance with all requirements for use as a class 7 or 8 building. This may include the installation of fire safety measures such as hose reels, fire extinguishers, fire hydrants, emergency lighting, exit signs and static water storage tanks available for firefighting.



## Fact Sheet – Farm Sheds and Buildings Guideline

Owners are encouraged to discuss their plans for new buildings on farm land with the Building Surveyor by contacting the building department on 5382 9796.

Council welcomes applications for exemptions, but as a general rule, a building permit is required for almost every farm shed/farm building and the permit must be approved before any works can commence. The majority of farm sheds and farm buildings are classified as Class 7 or Class 8 buildings and subject to a building permit.

### **Applications for Exemptions from Obtaining a Building Permit for a Farm Shed**

An application for exemption for a Class 10 farm shed can be lodged on the 'Application for Exemption' form. Exemptions from the requirements to obtain a building permit for farm sheds are not "as of right" and owners are required to apply for an exemption where the application will be considered on a case by case basis. The application will be assessed and the classification of the farm shed together with any conditions will be determined by the Building Surveyor.

### **What information is required for an Application for Exemption?**

Copy of title, scaled site plans, elevations, structural engineering and any relevant supporting information

### **What is a Class 10 farm shed that may be exempt?**

A Class 10 building that is to be constructed on land primarily used for farming that is:

- (a) a single Class 10 building that is to be constructed on land used for farming that is –
  - i. Used in connection with farming; and
- (b) occupied neither frequently nor for extended periods by people; and
- (c) in which the total numbers of persons accommodated at any time does not exceed 2; and
- (d) with a total floor area of 500 square metres or less; and
- (e) the land must be '*farm land*' that is being used for commercial purpose (making a profit).

*Farm land* means any rateable land—

- (a) that is not less than 2 hectares in area; and
- (b) that is used primarily for grazing (including agistment), dairying, pig-farming, poultry farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-

growing or the growing of crops of any kind or for any combination of those activities;  
and

- (c) that is used by a business—
  - (i) that has a significant and substantial commercial purpose or character; and
  - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
  - (iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating;

### **Approval of an Exemption**

If the application for exemption is granted by the Building Surveyor, a building permit is not required. However, the building subject to the exemption is required to comply with the Building Code of Australia, and comply with any siting controls and planning permit requirements.

### **Offences**

It is an offence under section 246 of the Act for an applicant for an exemption to provide false and misleading information to Council about the proposed use of a building. Where the use of the building changes after it has been constructed, regulation 229 applies, which requires the building to comply with the requirements of the new use.