

City of Moreton Bay

# Contracting Plan

2024/25 Version 2

Owner: Procurement, Corporate Services, Capital Program & Asset Management

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# Contracting Plan



## Procurement at City of Moreton Bay

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Procurement at City of Moreton Bay (Council) is conducted in accordance with the *Local Government Act 2009* (Qld) (Act) and the *Local Government Regulation 2012* (Qld) (Regulation).

Council, by resolution, has decided to apply Chapter 6, Part 2 - Strategic Contracting Procedures (SCP) of the Regulation. This allows Council to take a strategic approach to its contracts for goods, services and the disposal of non-current assets (excluding the disposal of land or any part of an interest in land), while managing the adverse risks associated with contracting.

This includes developing a portfolio of procurement activities for each financial year; considering the strategic implications of each activity, consistent with and supporting the strategic direction of the Council's [Corporate Plan 2022 - 2027](#).

## Procurement Policy and Procurement and Contract Manual

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Council's Procurement Policy and Procurement and Contract Manual (Manual) set out the governance framework for how Council must carry out all procurement, contracting and disposal activities. Council conducts its procurement and contracting activities in a transparent manner which demonstrates probity and accountability, whilst having regard to the five sound contracting principles as set out in section 104 of the Act.

## Contracting Plan

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Council, by resolution, must make and adopt a Contracting Plan each financial year (after Council adopts the annual budget for the financial year to which the Contracting Plan relates) that is consistent with and supports the achievement of the strategic directions in Council's Corporate Plan.

In accordance with section 220 of the Regulation this document must state:

- a. the types of contracts Council proposes to make in the financial year; and
- b. the principles and strategies for performing the contracts; and
- c. a policy about proposed delegations for the contracts; and
- d. a market assessment for each type of contract; and
- e. the contracts that Council considers will be significant having regard to the market assessment; and
- f. a policy about the making of a significant contracting plan.

## Contracting Types

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Council applies two classifications to contracting activities according to value and risk:

1. Significant:
  - the expected contract value is more than \$5 million; or
  - a contract term may be proposed for greater than ten years, or
  - having regard to the market assessment, Council has considered the contract as significant.
2. General:
  - the expected contract value is greater than or equal to \$500,000 but less than \$5 million; or
  - large sized contractual arrangements/high risk procurement activities; and/or
  - having regard to the market assessment, Council has considered the contract as general.

All other contracting activities with an expected value less than \$500,000 will be undertaken in accordance with the Manual.

## Sound Contracting Principles and Strategies

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In accordance with section 104 Financial management systems of the Act, Council must ensure regard to the sound contracting principles when entering into a contract for the supply of goods or services, or the disposal of assets (as detailed in Council's Procurement Policy).

Council may accept an offer most advantageous to it having regard to the sound contracting principles:

- a) value for money;
- b) open and effective competition;
- c) the development of competitive local business and industry;
- d) environmental protection; and
- e) ethical behaviour and fair dealing.

The following procurement and contracting strategies will be applied whilst having regard to the sound contracting principles:

- local preference;
- social procurement and Aboriginal and Torres Strait Islander business procurement;
- innovative procurement;
- environmental and sustainability;
- wellbeing and safety; and
- probity.

## Policy about Proposed Delegations

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Section 238 of the Regulation applies if a local government delegates, under section 257 of the Act, power to make, amend or discharge a contract for the local government.

All delegations (both Council and Chief Executive Officer) are set out in the Council's Delegations Register.

If a Council Team Member is making, amending or discharging a contract under delegation, they must satisfy themselves that:

- a) they hold a delegation under section 257 or 259 of the Act;
- b) they act in accordance with the requirements of the Manual;
- c) the conditions set out in section 238(2) of the Regulation are satisfied; and
- d) they have the appropriate financial limit.

## Market Assessment

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A market assessment is an assessment of the relative cost and difficulty in securing supply under each type of contract.

The table below identifies Council's findings from the market assessment:

Contract type	Procurement Activities undertaken	Market assessment
Significant Contracts	<ul style="list-style-type: none"><li>• Expressions of Interest</li><li>• Invitation to tender</li><li>• Exceptions</li></ul>	<ul style="list-style-type: none"><li>• Contracts entered into following a competitive process;</li><li>• good market depth is apparent from the number of suppliers; and</li><li>• good market capability is apparent from previous contracts entered into.</li></ul>

Contract type	Procurement Activities undertaken	Market assessment
General Contracts	<ul style="list-style-type: none"> <li>Expressions of interest</li> <li>Invitation to tender</li> <li>Exceptions</li> <li>Invitation to quote</li> </ul>	<ul style="list-style-type: none"> <li>Contracts entered into following an open and competitive process;</li> <li>good market depth is apparent from the number of suppliers; and</li> <li>good market capability is apparent from the overall effectiveness from previous contracts entered into.</li> </ul>

In conducting the market assessment, Council has identified the Contracts listed in Appendix A as Significant Contracts which Council proposes to make in the financial year.

Council will continue to monitor the market assessment against the contract types.

## Significant Contracts

Where the Contracting Plan identifies a Significant Contract, Council must make a Significant Contracting Plan before the contract starts.

In accordance with section 221 of the Regulation a Significant Contracting Plan document must state:

- the objectives of the significant contract;
- how the objectives are to be achieved;
- how achievement of the objectives will be measured;
- any alternative ways of achieving the objectives, and why the alternative ways were not applied;
- proposed contractual arrangements for the activity; and
- a risk analysis of the market in which the contract is to happen.

## Exceptions

Ensuring regard to the Sound Contracting Principles, Council may enter into a contractual arrangement without first undertaking a competitive procurement process (i.e. invitation to quote or tender) when entering into a contract under an exception as detailed in the Manual. These are approved under Council's delegations and not included in the Contracting Plan.

Conditions applicable to all exceptions:

- subject to the expenditure being provided for in Council's annual budget, except in the case of genuine emergency or hardship where the budget does not make provision; and
- contracts can be entered into under Council's delegations, contracts outside of delegation must be referred to Council for award.

## Amendments to the Contracting Plan

In accordance with section 220 of the Regulation, Council may, by resolution, amend the Contracting Plan at any time before the end of the financial year to which the Contracting Plan relates. The Contracting Plan will be published on Council's website and updated as amendments to the Contracting Plan are approved.

## Publishing Contract Details

Council will publish details of contractual arrangements worth \$200,000 or more as per the requirements of section 237 of the Regulation.

## Appendix A - Contracting Plan 2024/25

Annual contracting plan identifying contracts worth more than \$500,000 but less than \$5M being General. Contracts greater than \$5M or a contract term greater than 10 years being Significant.

Detail	Contract Type	Procurement Activity	Recommendation
Arboriculture Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Bituminous Pavement and Surfacing Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Bongaree Jetty Pontoon Renewal	General	Invitation to tender	Contract/s to be awarded under delegation
Building Construction Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Caboolture River Road Upgrade (Early Works Package)	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Charlish Park Seawall Renewal (South - Stage 1)	General	Invitation to tender	Contract/s to be awarded under delegation
Collection & Purchase of Recovered Metal	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Collection and Recycling of Tyres	General	Invitation to tender	Contract/s to be awarded under delegation
Collection of Paper & Cardboard from Waste Facilities	General	Invitation to tender	Contract/s to be awarded under delegation
Concrete Kerb & Channel Placement Services	General	Invitation to tender	Contract/s to be awarded under delegation
Concrete Pathways and Minor Civil Works	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Construction of Caboolture Waste Facility Landfill cell and Sediment Basin	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Construction of Intersection Upgrade, Sparkes Road/Ellis Street Lawnton	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Dayboro Skate Park Renewal	General	Invitation to tender	Contract/s to be awarded under delegation
Household Hazardous Waste Collection and Disposal	General	Invitation to tender	Contract/s to be awarded under delegation
HVAC Design, Supply & Installation Services	General	Invitation to tender	Contract/s to be awarded under delegation
Innovation Services	General	Invitation to tender	Contract/s to be awarded under delegation
John Oxley Reserve - Community Storage Facility	General	Invitation to tender	Contract/s to be awarded under delegation
Landscape Construction Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Landscaping and Herbicide Spraying	General	Invitation to tender	Contract/s to be awarded under delegation
Library Management System	General	Invitation to tender	Contract/s to be awarded under delegation
Mowing Services	General	Invitation to tender	Contract/s to be awarded under delegation
Petrie Mill - Mill Central Stage - Earthworks	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Petrie Mill Lakes Precinct Upgrade	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Preventative Maintenance and Repair of HVAC&R Systems and Equipment	General	Invitation to tender	Contract/s to be awarded under delegation
Project Director - Buchanan Road Corridor and Road Project	General	Invitation to tender	Contract/s to be awarded under delegation
Quarry Products	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Redevelopment of Deception Bay SES Depot	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Regional Pool Equipment Maintenance	General	Invitation to tender	Contract/s to be awarded under delegation
Road Pavement Failure Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Roofing & Guttering Services	General	Invitation to tender	Contract/s to be awarded under delegation
Security Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Servicing of Building Lifts	General	Invitation to tender	Contract/s to be awarded under delegation
Servicing of Sewer Pump Stations	General	Invitation to tender	Contract/s to be awarded under delegation
Supply of Premixed Concrete	General	Invitation to tender	Contract/s to be awarded under delegation
Suttons Beach, Redcliffe - Public Space Redevelopment - Construction'	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation

Document History				
Version	Approval	Date	Description	Document ID
1	Council	10.9.2024	General Meeting (Minute Page 24/465)	69870406
2	Council	13.11.2024	General Meeting (Item 12.2.1)	70201705

